Department of Education and Early Childhood Development

Skills Victoria

Victorian Training Market Quarterly Report

Full Year 2011

Prepared by Market Analysis,
Market Facilitation & Information Division
Skills Victoria
Department of Education and
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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
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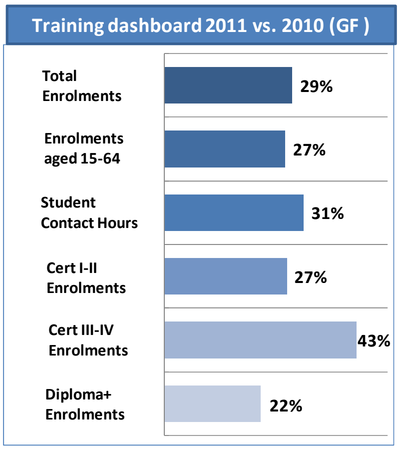
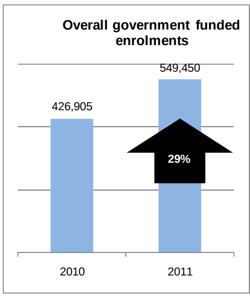
Executive Summary

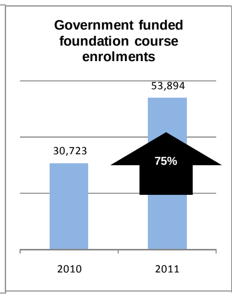
More people than ever are engaged in the Victorian training system. Following the first full year of the student entitlement system, total enrolments (including reported fee-for-service delivery) have grown by 23 per cent in 2011, with an overall increase of 38 per cent since 2008. Total delivery of student contact hours in 2011 is up 26 per cent while student numbers have grown 21 per cent (since 2008).

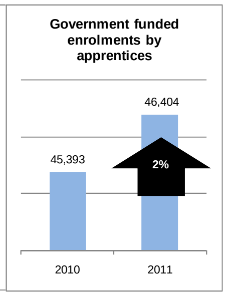
This growth is being driven by government funded activity with enrolments up 29 per cent, student contact hours up 31 per cent and student numbers up 27 per cent between 2008 and 2011.



The market based reforms provided more choice in the number of providers offering government funded training, expanding the capacity of the training system and delivering improved students access and greater choice. By the end of 2011, 768 providers were delivering government funded enrolments (including Adult and Community Education (ACE) pre-accredited training) in Victoria. Private providers now hold a 40 per cent share of the government funded training market in 2011, up from 14 per cent in 2008[1]. The TAFE sector holds a 48 per cent share while ACE providers hold the remaining 12 per cent.







Govt funded market share by provider type (enrolments)

	2008	2009	2010	2011
ACE	19%	18%	15%	12%
PRIV	14%	15%	23%	40%
TAFE	66%	67%	62%	48%

The share of government funded enrolments of private RTOs has increased from 14 per cent in 2008 to 40 per cent by the end of 2011. When measured in terms of government funded student numbers, 2011 figures show that private RTOs now have a student share of 44 per cent. Opening up the government funded training market is providing students with more choice in where they elect to study.

There were 549,500 government funded enrolments in 2011, up 29 per cent from 2010. There were 431,000 students in 2011, representing nearly 92,000 more Victorians undertaking training. In total, this equates to 147 million student contact hours delivered in 2011, an increase of 31 per cent from 2010.

In 2011, there were 54,000 enrolments in Foundation courses – showing a growth of 74 per cent between 2008 and 2011. There was a 32 per cent increase in apprenticeship and traineeships between 2008 and 2011. These trends indicate a shift away from the 2009 stagnation that was driven by the economic slowdown, a positive outcome.

Government funded enrolments are increasing across all qualification levels in 2011, particularly at mid-level (Certificates III-IV) which are up 43 per cent from 2010. This

[1] Share based on government funded enrolments in Victoria in 2011.

coincides with 2011 being the first year that the student entitlement has been available at these qualification levels.

Government funded enrolments at Diploma level and above have also continued to grow strongly in 2011 (up 22 per cent) compared with 2010, building on gains that were driven by the earlier introduction of the entitlement at these qualification levels in mid-2009. Continued growth at these levels aligns with the Government's policy of increasing attainment of higher level qualifications to meet forecast industry and labour market need.

Growth in government funded enrolments is also spread relatively evenly across Victoria with eight out of nine regions achieving enrolment growth in 2011. The Western Metropolitan region heads the list with 54 per cent growth in enrolments followed by Barwon South West with 40 per cent growth. Gippsland is the only region where government funded enrolments are lower in 2011, down by 9 per cent. This is mainly due to a 27 per cent drop in enrolments at ACE providers.

A number of occupations have been identified where training delivery is considered to be in over supply compared with projected labour market requirements. Specifically, enrolments in courses relating to sales assistants, office managers, general clerical workers, fitness instructors and store persons have experienced disproportionately high growth in 2011 compared with forecast growth in these occupations.

Performance of the five largest industries (based on 2011 employment)

49% enrolments are delivered in the 5 highest employing Vic industry sectors, accounting for 51% of jobs today	Health Care & Social Assistance; Retail; Manufacturing; Construction; Professional, Scientific & Technical Services
25% enrolments are delivered to four industries in transition requiring significant structural adjustment	Manufacturing; Electricity, Gas & Water & Waste Services; Agriculture, Forestry & Fishing; Health Care & Social Assistance

Enrolments in Health Care and Social Assistance have grown by 34 per cent in 2011 and by 87 per cent for training related to occupations in shortage. By 2018, it is forecast that an additional 60,000 jobs will be created in this sector largely driven by a need for workers in hospitals and residential care.

Enrolments in Construction have grown by 11 per cent in 2011 and by 65 per cent for training related to occupations in shortage. By 2018, it is forecast that an additional 23,000 jobs will be created in this sector.

Enrolments in Manufacturing have grown by 23 per cent in 2011 and by 31 per cent for training related to occupations in shortage. By 2018, it is forecast that jobs in the manufacturing sector will decline by more than 43,000 – largely driven by expected employment declines in the areas of Food Products and Textiles.

Training in the Retail sector has grown by 45 per cent in 2011, an increase of more than 31,000 enrolments. However, training related to occupations in shortage has not grown in 2011. By 2018, it is forecast that an additional 20,000 jobs will be created in the Retail sector.

The Professional, Scientific and Technical Services sector saw an increase of 29 per cent in training. As with the Retail sector, there was not any growth recorded in training related to occupations in shortage. This sector is forecast to create an additional 45,000 jobs by 2018 with Legal and Accounting Services expected to make up the majority of this growth.

1. Purpose & Background

This report has been prepared for the Minister of Higher Education and Skills, the Victorian Skills Commission and the Senior Executive of the Department of Education and Early Childhood Development. Its purpose is to summarise the Victorian training market's key features and emerging trends at the end of 2011 and provide a comparative overview of market changes relative to the same time in 2008 and 2010. Key metrics include training delivery by funding source, qualification level, region and provider type; learner characteristics such as age and equity group and an analysis of the responsiveness of training delivery to specific occupational needs.

The Victorian system is underpinned by a student entitlement to vocational education and training. Victorians are now provided with an entitlement to government funded training in any area they wish to study, subject to the following eligibility criteria:

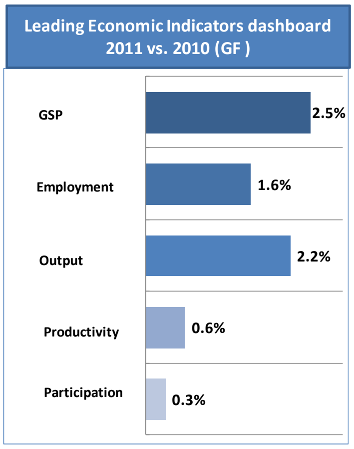
- Victorians aged under 20 can access training at any level, regardless of any qualifications already held
- Those aged 20 and over can gain access to training in any qualification higher than they already hold
- Access to Foundation level skills is unlimited to all Victorians, regardless of age or qualifications already held
- Access to training in an apprenticeship qualification is similarly unlimited, regardless of age or previous qualifications.

Notes about the data and time periods

- The majority of the commentary contained in the report compares 2008 figures with 2011, and 2010 with 2011. The time period refers to the full year of VET activity in each year, including 2011.
- Figures may differ to those in previous publications as Skills Victoria is currently re-casting data to improve consistency across years.
- For detailed explanations on the data, refer to the 'Appendix' section located at the back of this report.

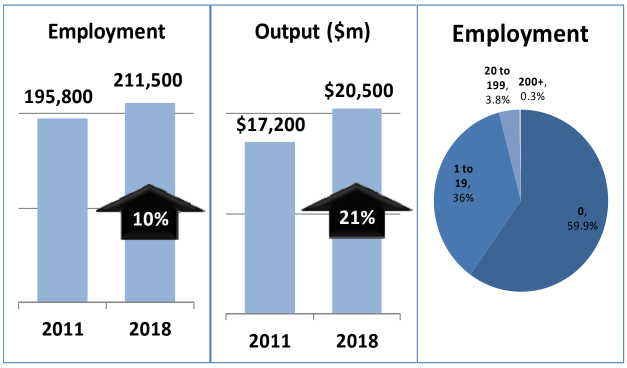
2. Victorian VET Summary

The Victorian Training Market Context



The Victorian economy, currently worth $317 billion (22.6 per cent of Australia's total Gross Domestic Product) is entering a volatile period, which will bring with it a series of challenges and opportunities.

Currently undergoing rapid structural change, with the strong Australian dollar and the rise of overseas economies challenging the international competitiveness of traditional manufacturing industries, the Victorian economy is, at the same time, being affected by the ongoing global economic uncertainty, especially in the Eurozone, and its impact on the financial markets and business confidence.



Across the State, the recent effects of these changes can be seen in a number of economic indicators. For example: business activity continues to contract in the Manufacturing, Construction and Service industries; job vacancies decreased by 17 per cent in the last quarter of 2011, compared to the same period of the previous year, and the State experienced a net loss of 38,000 jobs between June and December 2011.

That said; the fundamentals of the economy still appear strong. Gross State Product grew at 2.5 per cent between 2009-10 and 2010-11 and the annualised unemployment rate was lower than the previous year (5.1 per cent compared to 5.4 per cent).

The average annual workforce participation rate stood at 65.8 per cent (comparable with the national average – 65.6 per cent), a small increase on the 2010 figure. There was a slight reduction in workforce participation down to 65.1 per cent by December 2011; however, it is too soon to say whether this is the start of a downward trend.

Despite these figures, the economy could come under increasing pressure in the future. One of the best approaches government can take to deal with this scenario is by boosting the skills of the workforce so that it is more resilient and well placed to take advantage of opportunities when the economy returns to higher levels of growth.

Productivity

The Victorian VET system can play a key role in increasing Victoria's productivity. Productivity is one of the key determinants of living standards, and central to the State's capacity to meet longer-term economic challenges and opportunities. It is determined by five key drivers: skills, investment, innovation, enterprise and competition.

Table 2.1: Victorian employment, output and productivity per worker by industry sector, 2011

	Proportion of overall employment by industry sector (%)	Proportion of overall output by industry sector (%)	Productivity per worker – per cent difference to Australian average	Proportion of workforce that is part-time (%)
Agriculture, Forestry, Fishing	3	3	-12	31
Mining	0	2	14	6
Manufacturing	11	11	-11	14
Electricity, Gas, Water and Waste	1	3	17	12
Construction	9	8	-19	14
Wholesale Trade	4	6	9	17
Retail Trade	11	5	-15	48
Accommodation and Food Services	6	3	-13	58
Transport, Postal and Warehousing	5	5	-12	17
Information Media and Telecomms	2	3	-7	23
Financial and Insurance Services	4	13	-12	18
Rental, Hiring and Real Estate Services	2	8	5	23
Professional, Scientific and Technical	8	9	-1	21
Administrative and Support Services	4	3	-5	41
Public Administration and Safety	5	4	-4	19
Education and Training	8	5	7	37
Health Care and Social Assistance	12	6	-7	46
Arts and Recreation Services	2	2	-5	46
Other Services	4	3	-5	31
All industries	**100**	**100**	**-10**	**30**

Sources: Centre of Policy Studies, Monash University, Economic Forecasts, 2010-11 for employment, output and productivity; and Australian Bureau of Statistics, Labour Force Survey, average of four quarters for 2011 for part-time workers.

Currently, overall productivity per worker rates across Victoria are 9.8 per cent lower than the national average, and have stagnated over the last three years in terms of annual growth. There is particular cause for concern in the Construction, Manufacturing and Finance and Insurance Services sectors, which make up almost a third of the Victorian economy in terms of output. The Agriculture, Retail, Accommodation and Transport/Warehousing industries also perform much lower than the national averages for their respective sectors.

The Victorian Competition and Efficiency Commission (VCEC) estimates that around 40 per cent of the State's productivity growth over the past two decades has come from increases in the quality of Victoria's labour force. Similarly, the development of enterprise skills is extremely important to Victoria. Given that 60 per cent of the State's 516,000 businesses operate as sole traders, employment and job creation is driven in large by self-employment and the 36 per cent of firms employing between one and 19 people.

Despite the current period of uncertainty, economic forecasts for Victoria remain positive with regards to employment creation, suggesting that an additional 287,800 jobs could be added to the State economy between 2011 and 2018 (growth of 10 per cent), with all sectors, apart from Manufacturing, forecast to experience employment growth.[2]

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[2] Source: Centre of Policy Studies, Monash University, Economic Forecasts, employment 2010-11 to 2017-18.

Responsiveness

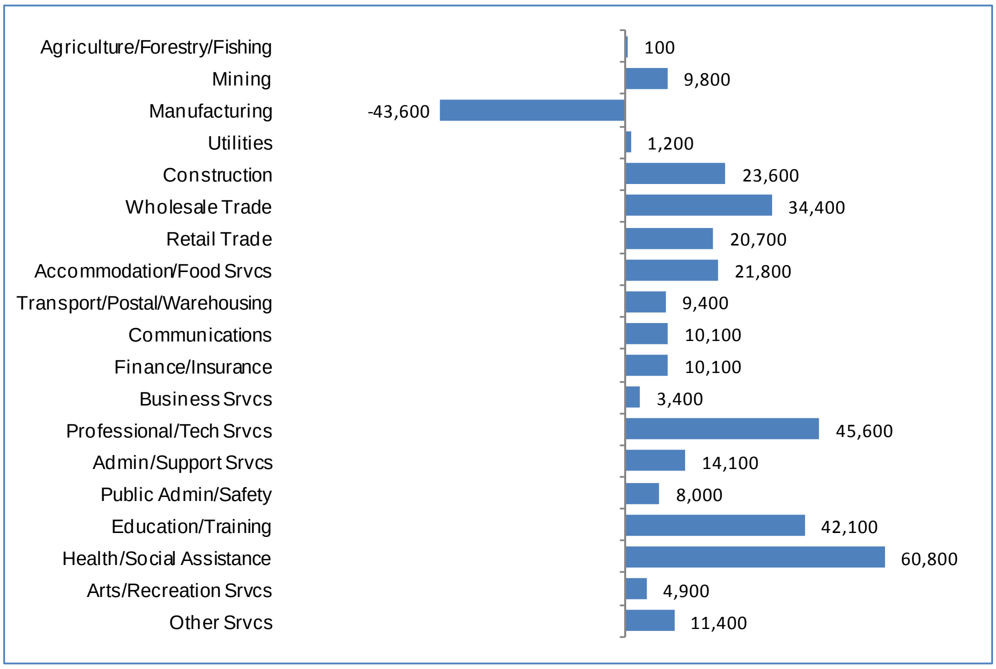
The effectiveness of the training system will be dependent on its capacity to align the supply of skills with labour market demand. To achieve this, there must be a clear understanding of future skills and employment needs that take into account adjustments in the State's industry structure.

In 2010-11, Health Care and Social Assistance, Retail and Manufacturing accounted for a third of all employment in Victoria. Looking towards 2018, the greatest job increases are likely to come from the Health/Social Assistance (+60,800), Professional, Scientific and Technical Services (+45,600), Education and Training (+42,100), Wholesale and Construction sectors.

In particular, the following sub-sectors are forecast to add significant numbers to the Victorian economy by 2018:

- Legal/Accounting Services (+30,200 additional new jobs in the economy)
- Hospitals (+25,400)
- School Education (+22,200)
- Residential Care Services (+16,900)
- Non-Store Retail (+14,600)
- Road Freight Transport (+13,400)
- Other Machine / Equipment Wholesaling (+12,000)
- Building Construction (+11,700)

Figure 2.1: Forecast employment growth for Victoria: 2010-11 to 2017-18



Source: Centre of Policy Studies, Monash University, Economic Forecasts, employment 2010-11 to 2017-18.

Workforce Participation

To meet the forecast demand for labour, it will be necessary to increase workforce participation.

Table 2.2: Victorian population projections by age group to 2018

Age Group	2011-2018	per cent change 2011-2018
0-14	81,900	8%
15-19	- 4,400	-1%
20-24	4,300	1%
25-44	119,900	8%
45-64	129,500	9%
65+	218,600	28%
15-64	249,300	7%
15+	467,900	10%
Total all ages	**549,800**	**10%**

Source: Department of Planning and Community Development, Victoria in Future, 2008. Population projections based on analysis of the 2006 Census of Population and Housing. Figures rounded to nearest 100.

The most recent population projections suggest that there could be an additional 249,300 people aged 15-64 in the Victorian economy by 2018. However, this growth will be unevenly distributed across age groups, with a potential net reduction of 4,000+ in the 15-19 age cohort. In contrast, growth of 28 per cent is projected for the 65+ age group, which will have its own implications.

If the current job growth forecasts are realised by 2018, then there may be an immediate deficit to the workforce of around 38,500 working age people. However, this would be significantly compounded by the effects of disengagement from the labour market. For example, over the past year, around 153,000 Victorians were unemployed at any one time (5.1 per cent on average across the year), and in 2010, 42,400 15-19 year olds (11.8 per cent of the age cohort) were not fully engaged in education or work.

Victorian VET Participation & Attainment: A National Comparative

Consistent with the Council of Australian Government's (COAG) National Agreement for Skills and Workforce Development, the Victorian training system is delivering access to training for a wide range of cohorts, is responding to labour market need, and giving individuals the opportunity to develop the skills and qualifications needed to enable them to be effective participants in the labour market. Victoria's performance against the COAG targets is:

- **Halve the proportion of Australians aged 20-64 without qualifications at Certificate III level and above between 2009 and 2020** – In 2011 there were 43.1 per cent of Victorian's aged 20 to 64 years without qualifications at Certificate III level and above. This represents an improvement since 2009, when 47.5 per cent of the Victorian population aged 20 to 64 years did not hold these higher level qualifications. This equates to an additional 62,800 Victorians gaining higher qualifications.
- **Double the number of higher qualification completions (Diploma and Advanced Diploma between 2009 and 2020** – In 2009, 17,200 Diploma and above government funded VET qualifications were completed in Victoria, compared to 14,800 the year before. Between 2009 and 2011, the number of VET completions in Victoria at the Diploma and Advanced Diploma levels rose from 24,000 to 41,000, a change of 71 per cent.

Participation

Student participation in VET is an indicator of the government's objective to effectively provide people aged 15-64 with the level of access to the VET system that is necessary for a highly skilled workforce. This is measured through overall participation rates, participation at Certificate III and above and Diploma and above and equitable access for disadvantaged cohorts.

VET Participation, Change 2010 to 2011

Equity	Labour Market Engagement	Responsiveness
• Indigenous - up 16% • Disability – up 25% • CALD – up 38%	• NEETS (15-19) – up 27% • Unemployed – up 44%	• Upskilling – up 60% • Specialised occs* – up 12% • Skills shortage occs* – up 16% • Apprentices/trainees – up 24%

*occs = occupations

Student numbers across all broad age groups have grown in 2011 in a continuation of recent trends. The vast majority (87 per cent) of government funded activity is delivered to students under the age of 50 years. The largest cohort of students based on broad age groups are those aged 25 to 44 (35 per cent share) followed by 15 to 19 year olds (26 per cent share).

In 2010, 342,900 Victorians of all ages (6.2 per cent) were engaged in VET, comparable with the national average of 6.1 per cent[3]. However, since 2009, participation rates across the State have increased by 10.7 per cent - more than double the national average increase of 5.2 per cent.

For the 15-64 population across Victoria, the participation rate in VET in 2010 was 8.9 per cent, compared to an overall Australian average of 8.8 per cent. Similarly, the indigenous participation rate for 15-64 year olds was on a par with the national average at 21 per cent. Victoria also performed well on access to VET in 2010 for people with a disability - 8 per cent, compared to 7.1 per cent nationally.

At the Diploma and above level, Victoria is significantly over-represented, accounting for 35.3 per cent of the Australian VET population aged 15-64 and 40.1 per cent of all 18-24 year olds. This performance is consistent with the identified need for a higher qualified future workforce and demonstrates Victoria is shouldering a large share of the effort in meeting the COAG target to double the number of Diploma and above qualifications by 2020.

Student Outcomes[4]

In 2009, 96,200 VET qualifications were completed across Victoria – 24.4 per cent of the Australian total, and an 11.3 per cent increase on the number from the previous year. Victoria also maintains its lead, along with the Australian Capital Territory for the highest proportion of qualifications completed being at Diploma level or above (17.9 per cent of all completed qualifications, compared to 14 per cent nationally).

Across Victoria, 87.6 per cent of VET government funded graduates were either in employment and/or pursuing further study after completing a VET course in 2011 (national average is 87 per cent). Over three-quarters (78.6 per cent) were in employment and 32 per cent undertaking some sort of further training (national comparisons are 77.4 per cent and 32.2 per cent respectively).

Levels of satisfaction with training remain high in Victoria with 88.9 per cent of TAFE graduates and 88.4 per cent of private RTO graduates satisfied with the overall quality of their training. Overall, 86.5 per cent of Victorian graduates fully or partly achieved their main reason for doing the training (national average - 85.7 per cent).

[3] Figures are presented for 2010, the latest year for which comparable national data are available.

[4] NCVER (2011) Student Outcomes: Australian vocational education and training statistics

Employer Outcomes[5]

In 2011, 54.8 per cent of Victorian employers reported that they had used the VET system within the last 12 months, whilst 10.6 per cent of employers had provided no training to their staff (national averages are 53.9 per cent and 10.4 per cent respectively).

Employer satisfaction with the quality of training delivered to apprentices and trainees in 2011 is practically the same whether that training was delivered by a TAFE (79.3 per cent) or a private RTO (79.6 per cent), but differs for satisfaction with the delivery of nationally recognised training (TAFE – 85.3 per cent; private RTO – 92 per cent).

Throughout 2011, 32.5 per cent of employers had employed people with a formal vocational qualification as a job requirement, 28.8 per cent had employed apprentices/trainees and 22.7 per cent had arranged or provided their employees with nationally recognised training (overall Australian averages are 34.5 per cent, 29 per cent and 21.7 per cent respectively).

Overall, employer satisfaction levels with each of these three areas ranged between 83-88 per cent, in line with the national averages.

[5] NCVER (2011) Employers' use and views of the VET system 2011

3. Responsiveness of Victoria's Training Market

Introduction

This section of the report examines the alignment of VET training delivered in 2011 and the skills required by the market based on occupational requirements.

- 'Responsiveness' considers the extent to which VET training responds to specialist and/or skills shortage occupations.
- Specialist skills related to certain occupational skills take a long time to train, and will have a significant economic or strategic impact on the State if they are under-supplied. This section tracks performance against the 'specialised occupations' defined by Skills Australia.
- Please refer to the Appendix for a full breakdown of the definitions used in the tables and charts in this section of the report.

Overall Responsiveness of the Training Market

Training uptake in the demand driven system is showing signs of responsiveness to the changing occupational structure of the Victorian economy, with strong overall enrolment growth in courses relating to areas of identified labour market demand.

Analysis of enrolment trends reinforces previous assessments that Victorians are engaging in training that will meet the needs of the labour market, with 16 per cent growth in reported enrolments in 2011 compared with the same time in 2010 in qualifications related to occupations that are either specialised or in shortage (or both) - an increase of over 18,300 enrolments.

A further breakdown shows that reported enrolments in training related to occupations in shortage increased 17 per cent in 2011 compared with 2010 and training related to specialised occupations increased 12 per cent.

When viewed over the 2008-2011 period, enrolments in 'in shortage' occupations have grown 51 per cent. This high level of growth exceeds the total growth in enrolments of 44 per cent. This is reflective of students choosing to engage in training that is responding to labour market needs.

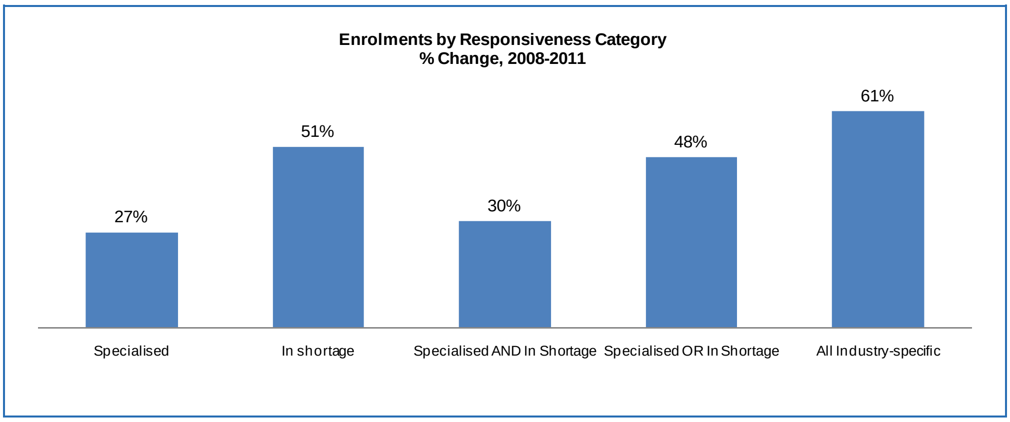
The following tables and charts show the number and percentage change against the four categories of training market responsiveness, as well as the comparison category 'all industry specific training'[6], for reported enrolments and student contact hours.

[6] A baseline of 'All industry specific' training (Certificate I level and above) has been included for comparison purposes. This category excludes training classified as foundation studies or languages other than English. It should be noted that many of the courses in the Responsiveness categories require significant teaching resources and infrastructure. This constrains the pace at which enrolments and hours can grow in the short term.

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

Responsiveness category	2008	2009	2010	2011	% change 2008-2011	% change 2010-2011
Specialised	56,837	59,027	64,736	72,357	27%	12%
In shortage	83,979	95,552	108,670	126,975	51%	17%
Specialised AND In Shortage	49,629	52,258	57,185	64,411	30%	13%
Specialised OR In Shortage	91,187	102,321	116,221	134,921	48%	16%
All Industry-specific	275,993	284,944	336,639	433,415	61%	32%
All Government Funded	381,270	376,795	426,905	549,450	44%	29%

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

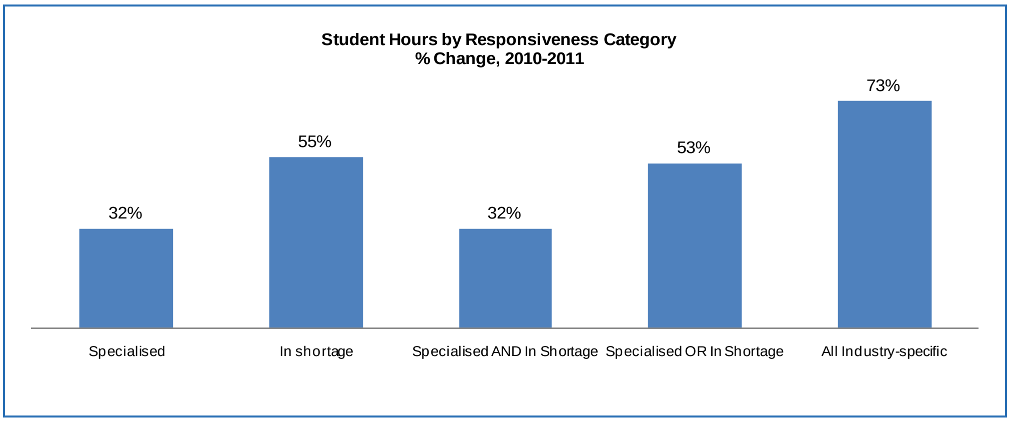


Similarly there has been a marked increase in student contact hours in courses that have employment outcomes associated with specialised and/or in shortage occupations. There has been substantial growth in student contact hours associated with in shortage occupations, increasing by 55 per cent between 2008 and 2011. There has also been strong growth in specialised student contact hours over the same period (32 per cent).

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

Responsiveness category	2008	2009	2010	2011	% change 2008-2011	% change 2010-2011
Specialised	16,587,447	19,589,045	21,120,190	21,850,527	32%	3%
In shortage	26,725,491	31,669,613	36,895,104	41,436,312	55%	12%
Specialised AND In Shortage	14,893,965	17,664,365	19,079,879	19,679,815	32%	3%
Specialised OR In Shortage	29,418,973	33,594,293	38,935,415	43,607,024	53%	12%
All Industry-specific	75,211,809	82,660,247	100,333,559	130,235,447	73%	30%
All Government Funded	87,392,715	95,587,023	112,423,926	147,063,334	68%	31%

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



Responsiveness of the Training Market by Provider Type

Providing greater student choice for training in specialised and in shortage occupations is a key feature of the emerging training market. This is being driven by private RTOs which reported a three-fold (315 per cent) increase in delivery against occupations either specialised or in shortage between 2008 and 2011. ACE providers reported a 77 per cent increase, while TAFE institutes have increased 7 per cent (from 2008 to 2011).

Tables 3.3 to 3.6 show changes in enrolments and market share, and the market share by provider type for the combined set of both specialised occupations and occupations in shortage between 2008 and 2011.

TAFE has the largest market share in the provision of both specialised and in shortage occupations, with 68 per cent and 59 per cent of total market share respectively. TAFE institutes are also the largest provider of courses relating to trades occupations and those requiring infrastructure to support training delivery. Despite this there has been a small decline in enrolments in real terms for both specialised and in shortage occupations (1,280 and 3,300 decline in enrolments between 2010 and 2011 respectively).

Private RTOs have increased their market share of specialised **or** in shortage occupations from 12 per cent in 2008 to 34 per cent in 2011. Private RTOs also grew 170 per cent in specialised **and** in shortage occupations, increasing by 10,900 enrolments from 2008 to 2011. This suggests that the training market is encouraging private RTOs, both new and existing, to respond to labour market needs and deliver specialised in 'in shortage' occupations.

Table 3.3: Enrolments and market share by training organisation type, 2008-2011 – all specialised occupations

Provider type	2008	2009	2010	2011	% 08-11	% Market Share 2011
ACE	2,786	3,672	3,223	3,350	20%	5%
Private	6,686	7,882	10,967	19,736	195%	27%
TAFE	47,365	47,473	50,546	49,271	4%	68%
Total	**56,837**	**59,027**	**64,736**	**72,357**	**27%**	**100%**

Table 3.4: Enrolments and market share by training organisation type, 2008-2011 – in shortage occupations

Provider type	2008	2009	2010	2011	% 08-11	% Market Share 2011
ACE	4,376	6,052	6,699	8,296	90%	7%
Private	10,753	14,325	23,400	43,411	304%	34%
TAFE	68,850	75,175	78,571	75,268	9%	59%
Total	**83,979**	**95,552**	**108,670**	**126,975**	**51%**	**100%**

Table 3.5: Enrolments and market share by training organisation type, 2008-2011 – specialised AND in shortage occupations

Provider type	2008	2009	2010	2011	% 08-11	% Market Share 2011
ACE	2,375	3,163	2,873	3,178	34%	5%
Private	6,387	7,414	9,947	17,241	170%	27%
TAFE	40,867	41,681	44,365	43,992	8%	68%
Total	**49,629**	**52,258**	**57,185**	**64,411**	**30%**	**100%**

Table 3.6: Enrolments and market share by training organisation type, 2008-2011 – specialised OR in shortage occupations

Provider type	2008	2009	2010	2011	% 08-11	% Market Share 2011
ACE	4,787	6,561	7,049	8,468	77%	6%
Private	11,052	14,793	24,420	45,906	315%	34%
TAFE	75,348	80,967	84,752	80,547	7%	60%
Total	**91,187**	**102,321**	**116,221**	**134,921**	**48%**	**100%**

Responsiveness of the Training Market by Occupations

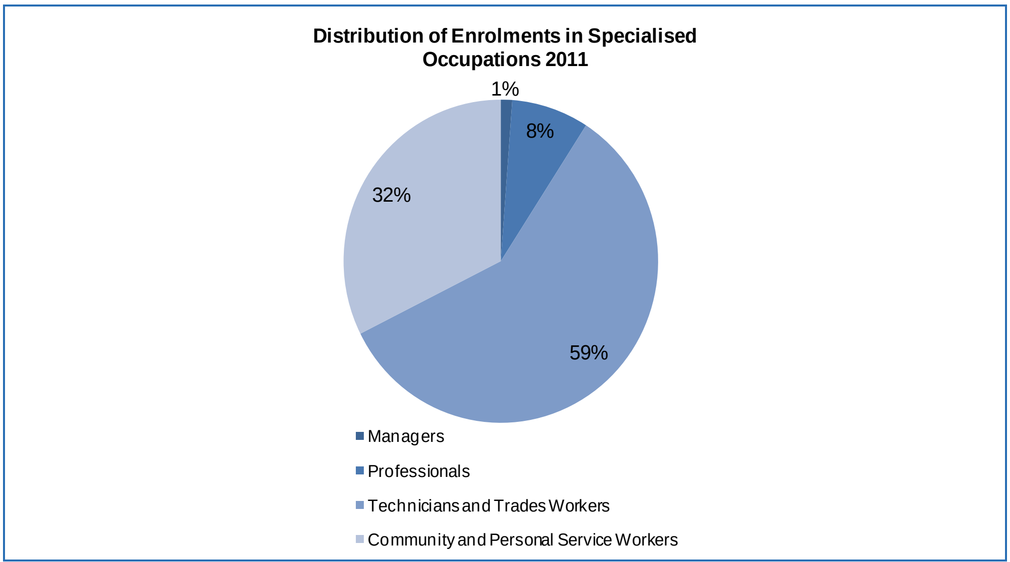
By the eight broad ANZSCO occupational groupings, government funded VET provision in courses related to **specialised** occupations is highest in technicians and trade workers (58 per cent) and community and personal service workers (32 per cent). In relation to trends since 2008, the largest increases have been in the areas of: finance and accounting related workers (281 per cent), child care centre managers (161 per cent), electronic equipment trades workers (146 per cent) and personal care assistants (128 per cent).

Table 3.7: Enrolments in specialised occupations, by broad ANZSCO occupational groupings*, 2008 - 2011

Enrolments in Specialised Occupations	2008	2009	2010	2011	% change 2008-2011
Managers	350	504	682	843	141%
Professionals	6,070	6,308	5,570	5,747	-5%
Technicians and Trades Workers	35,448	35,449	40,129	42,320	19%
Community and Personal Service Workers	14,969	16,766	18,355	23,447	57%
Clerical and Administrative Workers	-	-	-	-	-
Sales Workers	-	-	-	-	-
Machinery Operators and Drivers	-	-	-	-	-
Labourers	-	-	-	-	-
Total	56,837	59,027	64,736	72,357	27%

* There were no specialised occupations identified for Clerical and Administrative Workers, Sales Workers, Machinery Operators and Drivers, and Labourers during 2008-2011.

Figure 3.3: Distribution of enrolments in specialised occupations, 2011



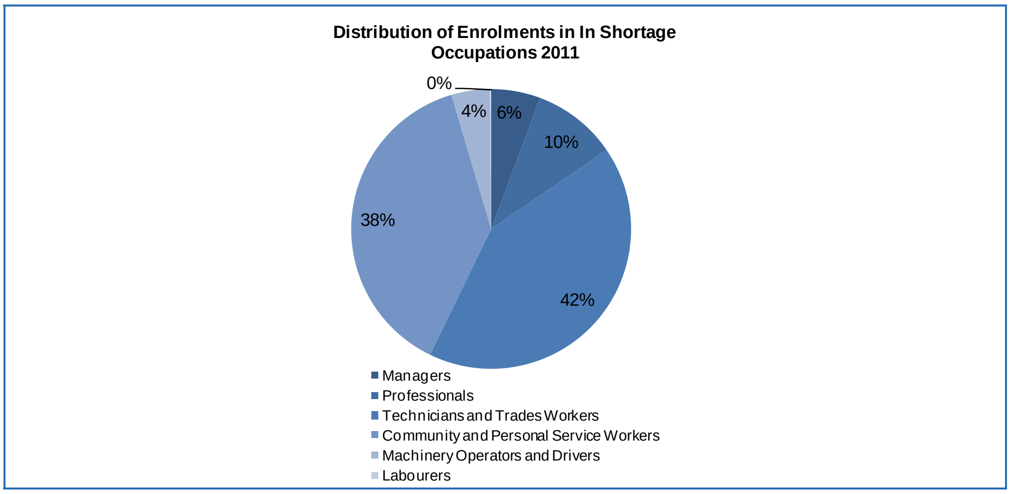
By the eight broad ANZSCO occupational groupings, government funded VET provision in courses related to **in shortage** occupations is highest in technicians and trade workers (42 per cent) and community and personal service workers (38 per cent). The largest increases have been in the areas of: ambulance officer, chef, cabler - data and telecommunications and child care worker.

Table 3.8: Enrolments in 'in shortage' occupations, by broad ANZSCO occupational groupings*, 2008 - 2011

Enrolments in 'In Shortage' Occupations	2008	2009	2010	2011	% change 2008-2011
Managers	2,738	5,825	5,213	7,211	163%
Professionals	9,883	11,907	12,673	12,416	26%
Technicians and Trades Workers	44,715	44,305	49,506	52,987	18%
Community and Personal Service Workers	23,712	28,663	36,017	48,536	105%
Clerical and Administrative Workers	-	-	-	-	-
Sales Workers	-	-	-	-	-
Machinery Operators and Drivers	2,832	4,746	5,193	5,633	99%
Labourers	99	106	68	192	94%
Total	83,979	95,552	108,670	126,975	51%

* There were no 'in shortage' occupations identified for Clerical and Administrative Workers and Sales Workers during 2008-2011.

Figure 3.4: Distribution of enrolments in 'in shortage' occupations, 2011



4. Victorian Training Market Performance

Overview

VET Delivery by Funding Type

The Victorian training system has shown strong growth following the first full year of the student entitlement system, which became available to all age groups and across all qualification levels, subject to eligibility from January 2011.

The following figures and tables show an overview of training activity measured in enrolments, student contact hours and student numbers over the 2008 to 2011 period. Commentary in this section of the report focuses on comparisons between 2011 results against the previous year and against 2008 figures – the last year prior to the phased implementation of the student entitlement system and fully contestable funding between eligible providers.

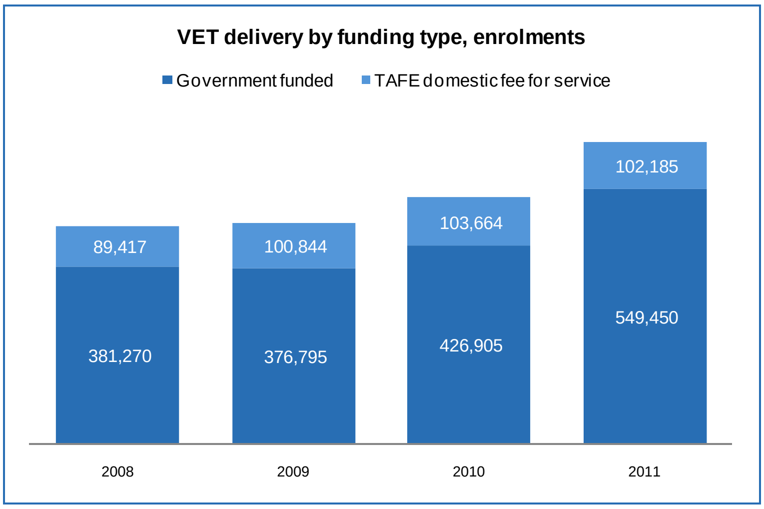
- Total enrolments (government funded and TAFE fee-for-service) have grown by 23 per cent in 2011 over the previous year and by 38 per cent from 2008. Total delivery of student contact hours in 2011 is up 26 per cent whilst reported student numbers have grown 22 per cent compared with 2010.
- Growth in the Victorian training system is being driven by government funded activity, with enrolments up 29 per cent, hours up 31 per cent and student numbers up 27 per cent compared with last year. Looking at longer-term trends, government funded training in Victoria has grown significantly over the 2008 to 2011 period with enrolments up by 44 per cent, hours up by 68 per cent and student numbers up 46 per cent.
- TAFE domestic fee-for-service activity experienced a steady increase from 2008 to 2010, before slowing in 2011 with enrolments down 1 per cent compared to 2010.

Table 4.1: VET delivery by funding type, enrolments

	2008	2009	2010	2011	% change 2008-2011	% change 2010-2011
Government funded	381,270	376,795	426,905	549,450	44%	29%
TAFE domestic fee for service	89,417	100,844	103,664	102,185	14%	-1%
Total	**470,687**	**477,639**	**530,569**	**651,635**	**38%**	**23%**

Fee-for-service (FFS) figures are TAFE on-shore domestic Australian Qualifications Framework 1+ (AQF1+) Fee-for-service (FFS) activity only and excludes short courses

Figure 4.1: VET delivery by funding type, enrolments



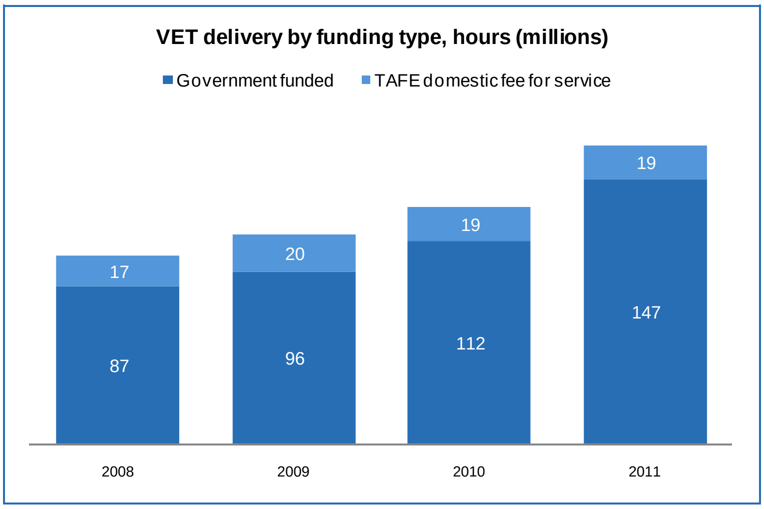
Fee-for-service figures are TAFE on-shore domestic AQF1+ FFS activity only and excludes short courses.

Table 4.2: VET delivery by funding type, hours (millions)

	2008	2009	2010	2011	% change 2008-2011	% change 2010-2011
Government funded	87	96	112	147	68%	31%
TAFE domestic fee for service	17	20	19	19	8%	-4%
Total	**105**	**116**	**132**	**166**	**58%**	**26%**

Fee-for-service figures are TAFE on-shore domestic AQF1+ FFS activity only, and excludes short courses.

Figure 4.2: VET delivery by funding type, hours (millions)



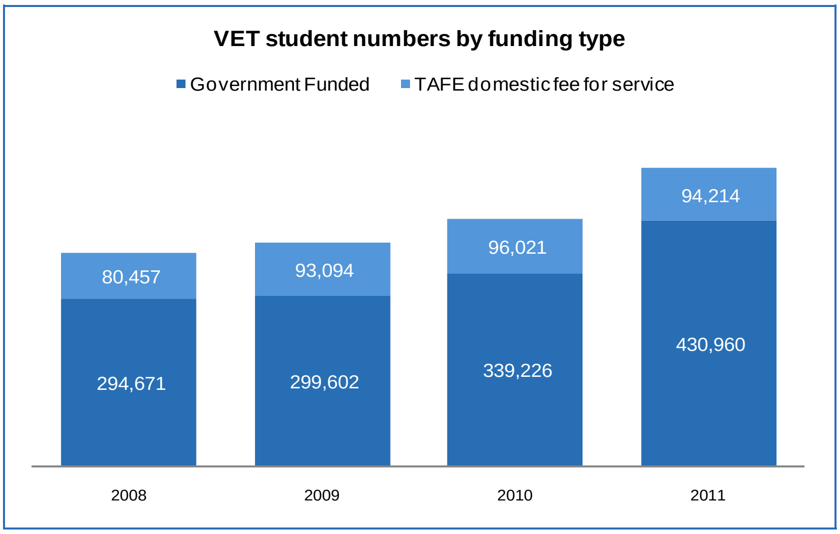
Fee-for-service figures are TAFE on-shore domestic AQF1+ FFS activity only, and excludes short courses.

Table 4.3: VET delivery by funding type, students

	2008	2009	2010	2011	% change 2008-2011	% change 2010-2011
Government Funded	294,671	299,602	339,226	430,960	46%	27%
TAFE domestic fee for service	80,457	93,094	96,021	94,214	17%	-2%
Total*	**366,762**	**381,311**	**422,543**	**513,531**	**40%**	**22%**

Fee-for-service figures are TAFE on-shore domestic AQF1+ FFS activity only, and excludes short courses.

Figure 4.3: VET delivery by funding type, students



Fee-for-service figures are TAFE on-shore domestic AQF1+ FFS activity only, and excludes short courses.

Age Profile

VET Delivery by Age Group

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

Student numbers across all broad age groups have grown in 2011 in a continuation of recent trends. The strongest growth has occurred among 25-44 year olds, which increased by 24 per cent in 2011, and currently account for almost 35 per cent of students engaged in the training system (including reported fee-for-service).

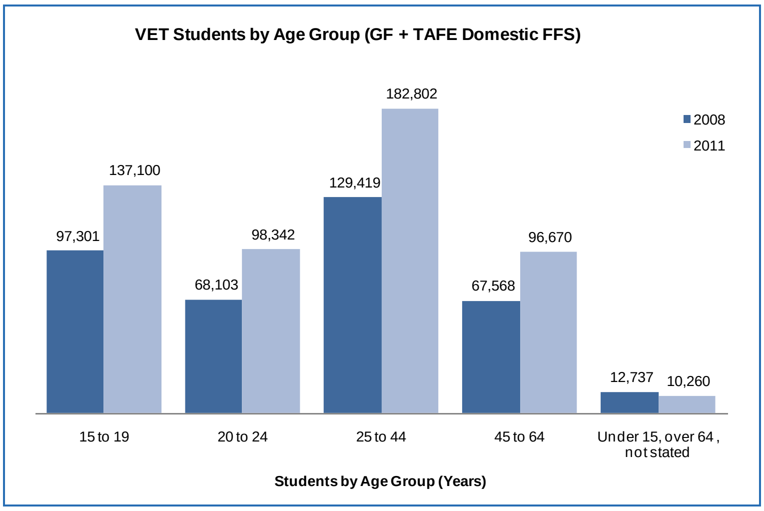
Looking at longer-term trends, all four broad age groups have experienced similar growth patterns with increases of more than 40 per cent over the 2008 to 2011 period.

Table 4.4: VET students by age group (government funded + TAFE domestic fee-for-service)

	2008	2009	2010	2011	% change 2008-2011	% change 2010-2011
15 to 19	97,301	102,393	117,053	137,100	41%	17%
20 to 24	68,103	70,320	82,802	98,342	44%	19%
25 to 44	129,419	137,197	147,097	182,802	41%	24%
45 to 64	67,568	71,241	79,551	96,670	43%	22%
Under 15, over 64 , not stated	12,737	11,545	8,744	10,260	-19%	17%
Total	**375,128**	**392,696**	**435,247**	**525,174**	**40%**	**21%**

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

Figure 4.4: VET students by age group (government funded + TAFE domestic fee-for-service)



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

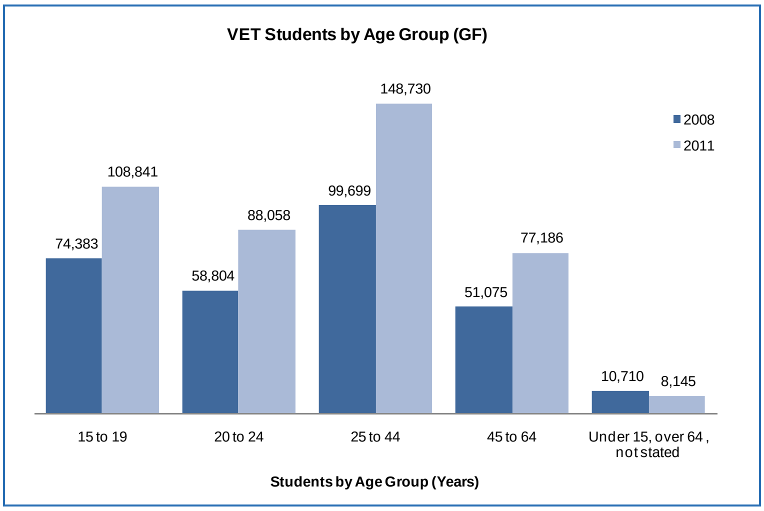
Government Funded Enrolments

All age groups are making use of the student entitlement system with particularly strong growth in government funded training among 25-44 year olds - up 32 per cent in 2011. These figures suggest that many existing workers are up-skilling through the training system.

Table 4.5: VET students by age group (government funded)

	2008	2009	2010	2011	% change 2008-2011	% change 2010-2011
15 to 19	74,383	75,957	88,258	108,841	46%	23%
20 to 24	58,804	59,188	71,432	88,058	50%	23%
25 to 44	99,699	102,418	112,644	148,730	49%	32%
45 to 64	51,075	52,853	60,225	77,186	51%	28%
Under 15, over 64 , not stated	10,710	9,186	6,667	8,145	-24%	22%
Total	**294,671**	**299,602**	**339,226**	**430,960**	**46%**	**27%**

Figure 4.5: VET students by age group (government funded)



Employment Status of VET Students

VET Delivery by Employment Status

Students whose labour market status is identified as being unemployed account for 21 per cent of the government funded VET market in 2011. This proportion is markedly higher than in 2008, when just over 14 per cent of VET students reported being unemployed. This could partly reflect the relatively higher unemployment rate in Victoria in 2011 compared to 2008. This demonstrates the important role the training system plays in enabling students to obtain qualifications to enhance their job prospects as evidenced by improvements in employment outcomes following training (published in the NCVER Student Outcomes Survey).

The vast majority of VET students that are unemployed are doing Certificates III-IV. In terms of sectors, a large proportion of students that are unemployed are undertaking training in five areas: Business & Clerical (13 per cent), Community Services (11 per cent), General Preparatory training (10 per cent), Health (6 per cent), and Storage & Distribution (6 per cwnt).

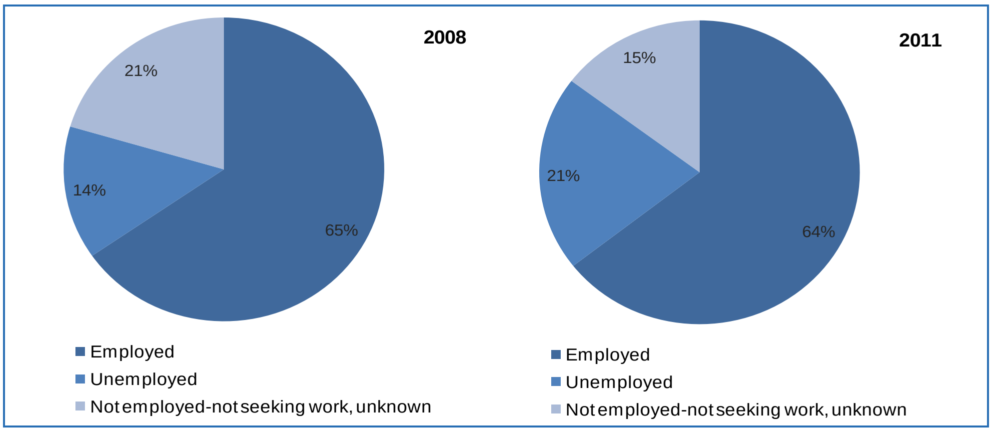
Table 4.6: Government funded VET students by employment status

	2008	2009	2010	2011	% change 2008-2011	% change 2010-2011
Employed	192,626	197,411	223,223	277,708	44%	24%
Unemployed	41,791	50,180	62,513	89,781	115%	44%
Not employed-not seeking w ork, unknow n	60,254	52,011	53,490	63,471	5%	19%
Total	**294,671**	**299,602**	**339,226**	**430,960**	**46%**	**27%**

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

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

Figure 4.6: Government funded VET students by employment status



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

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

Qualification Levels

VET Delivery by Qualification Level

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

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

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

It is also anticipated that demand for Diploma and above courses will be impacted by the expansion of higher education into a demand driven funding model, with undergraduate delivery expected to increase its market share.

VET Delivery by Qualification Level, Government Funded Enrolments

The growth in government funded enrolments in 2011 has occurred across all Australian Qualifications Framework (AQF) levels; Certificate I-II (up 27 per cent), Certificate III-IV (up 43 per cent) and Diploma and above (up 22 per cent).

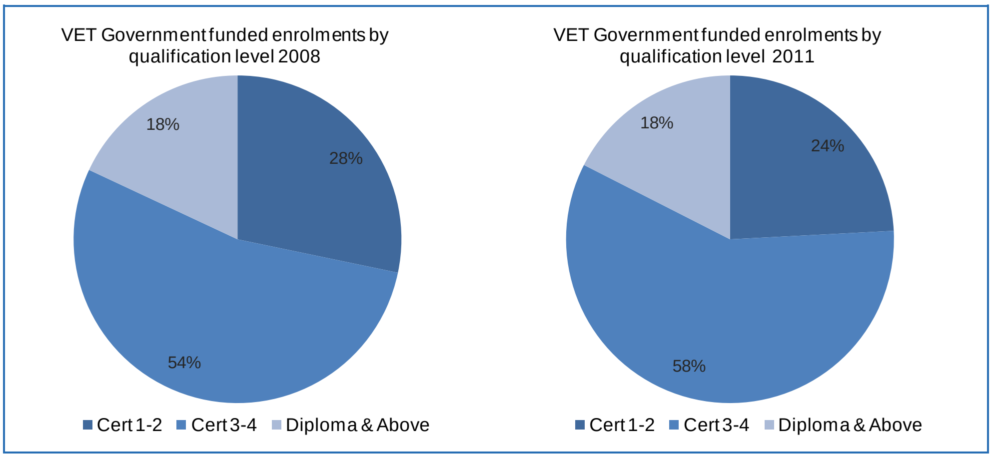
Longer-term trends show a decrease in the proportion of enrolments at lower qualification levels (24 per cent in 2011 down from 28 per cent in 2008) and a commensurate increase in the proportion of enrolments at mid-levels (54 per cent to 58 per cent).

Module only enrolments have declined by 19 per cent in 2011 and 39 per cent over the 2008 to 2011 period. This reflects the shift towards more students choosing to undertake full qualifications rather than short courses.

Table 4.7: VET government funded enrolments by qualification level

Qualification level	2008	2009	2010	2011	% change 2008-2011	% change 2010-2011
Cert 1-2	87,160	83,638	93,834	119,552	37%	27%
Cert 3-4	165,419	165,863	201,687	288,259	74%	43%
Diploma & Above	55,658	63,657	71,241	86,602	56%	22%
Higher Education	15	8	-	-	-100%	-
Module Only	50,156	40,702	37,269	30,351	-39%	-19%
Secondary, SoA and other	22,862	22,927	22,874	24,686	8%	8%
Total	**381,270**	**376,795**	**426,905**	**549,450**	**44%**	**29%**

Figure 4.7: VET government funded enrolments by qualification level



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

The growth in TAFE domestic fee-for-service enrolments in 2011 has declined at Certificate I-II (-4 per cent), is flat at Certificate III-IV (zero growth) and increased slightly at Diploma and above (up 2 per cent).

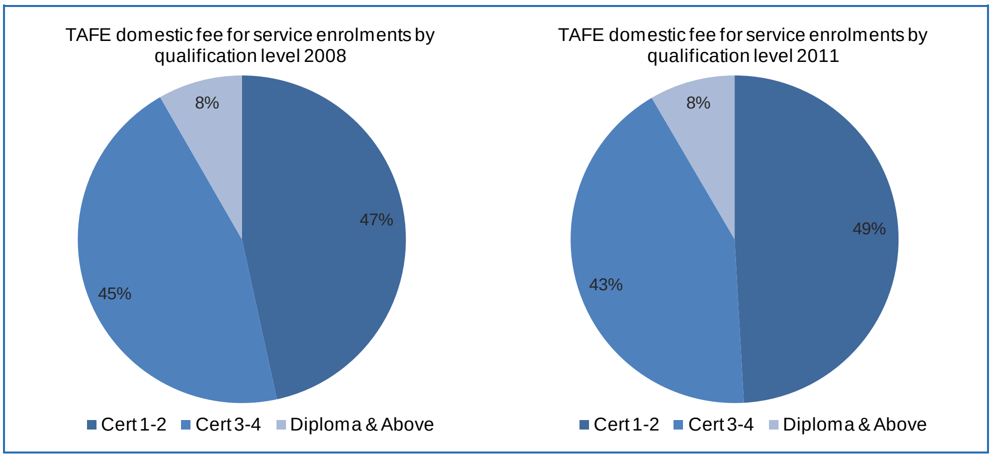
Longer-term trends (2008 to 2011) show a decrease in the proportion of enrolments at mid-levels (45 per cent down to 43 per cent) and a commensurate increase in the proportion of enrolments at lower-levels (47 per cent to 49 per cent).

Module only enrolments have not been reported against this funding source.

Table 4.8: TAFE domestic fee-for-service enrolments by qualification level

Qualification level	2008	2009	2010	2011	% change 2008-2011	% change 2010-2011
Cert 1-2	41,302	48,423	51,492	49,500	20%	-4%
Cert 3-4	40,018	43,354	42,616	42,795	7%	0%
Diploma & Above	7,365	8,039	8,300	8,505	15%	2%
Higher Education	732	1,028	1,256	1,385	89%	10%
Module Only	-	-	-	-	-	-
Secondary, SoA and other	-	-	-	-	-	-
Total	**89,417**	**100,844**	**103,664**	**102,185**	**14%**	**-1%**

Figure 4.8: TAFE domestic fee-for-service enrolments by qualification level



VET Delivery by Qualification Level, Government Funded Hours

The growth in government funded hours in 2011 has occurred across all AQF levels; Certificate I-II (up 29 per cent), Certificate III-IV (up 38 per cent) and Diploma and above (up 16 per cent).

Longer-term trends (2008 to 2011) show a decrease in the proportion of hours at higher qualification levels (28 per cent down to 26 per cent) and an increase in the proportion at mid-levels (55 per cent to 58 per cent).

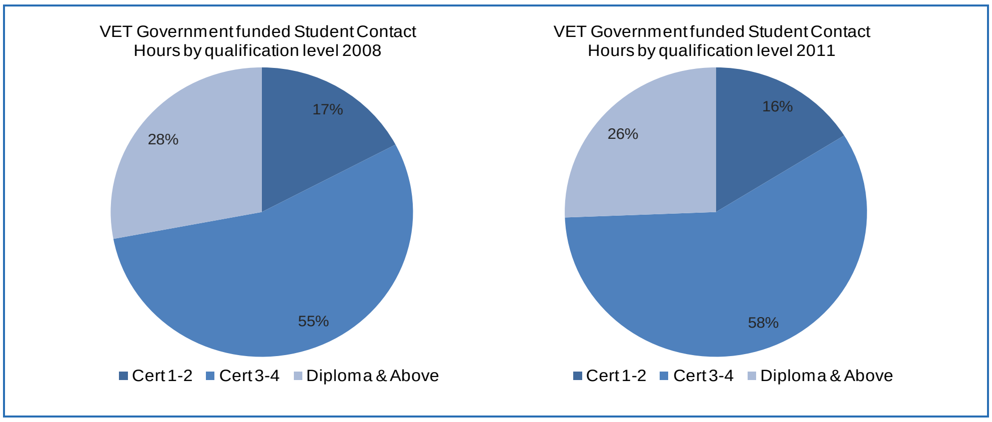
Module only student contact hours have declined by 17 per cent in 2011 and 8 per cent over the 2008 to 2011 period. This reflects the shift towards more students choosing to undertake full qualifications rather than short courses.

Table 4.9: VET Government funded student contact hours by qualification level

Qualification level	2008	2009	2010	2011	% change 2008-2011	% change 2010-2011
Cert 1-2	14,172,964	15,199,752	17,498,228	22,625,119	60%	29%
Cert 3-4	44,949,317	48,790,269	59,085,247	81,744,788	82%	38%
Diploma & Above	22,949,779	25,990,705	30,934,399	35,911,395	56%	16%
Module Only	1,430,007	1,557,458	1,594,559	1,320,194	-8%	-17%
Secondary, SoA and other	3,890,648	4,048,839	3,311,493	5,461,838	40%	65%
Total	**87,392,715**	**95,587,023**	**112,423,926**	**147,063,334**	**68%**	**31%**

Note: SoA – Statement of Attainment

Figure 4.9: VET government funded student contact hours by qualification level



Equity Groups

VET Delivery by Equity Groups

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

Victorian Employers' Chamber of Commerce and Industry (VECCI) research suggests "there are one and a half million Australians available to enter employment given the right support, encouragement and advice". [7] Multiple barriers prevent these potential workers from participating in the paid workforce.

The role of VET has continued to be a critical enabler in opening up pathways for disadvantaged groups. Between 2010 and 2011 the number of government funded students representing equity groups in the VET sector increased considerably.

- The number of VET students with a disability rose markedly between 2010 and 2011, with over 34,000 disabled students undertaking training in 2011 (25 per cent growth).
- There was also a 16 per cent increase in indigenous students undertaking training between 2010 and 2011 (5,584 students).
- In 2011, there were 97,670 Culturally and Linguistically Diverse (CALD) VET students, representing a growth of 38 per cent since 2010.
- Further research will be carried out to investigate what proportion of growth in foundation level training is by students who had previously enrolled in/completed a foundation qualification.
- Across the equity groups, the proportion of students who have completed qualifications at a Diploma and above level has fallen. For example, the proportion of students with a disability who completed a Diploma and above fell from 13 per cent in 2008, down to 11 per cent in 2011. Similar trends are apparent for indigenous and CALD students.

Table 4.10: VET government funded students by equity group

	2008	2009	2010	2011	% change 2008-2011	% change 2010-2011
Indigenous	4,356	4,317	4,801	5,584	28%	16%
Persons with a disability	23,947	23,619	27,230	34,148	43%	25%
CALD	58,145	62,128	70,613	97,670	68%	38%

[7] Skills Victoria From Learning to Employment: Successful Transition for Equity Groups, Summary Report

Figure 4.10: VET government funded students by equity group: person with a disability

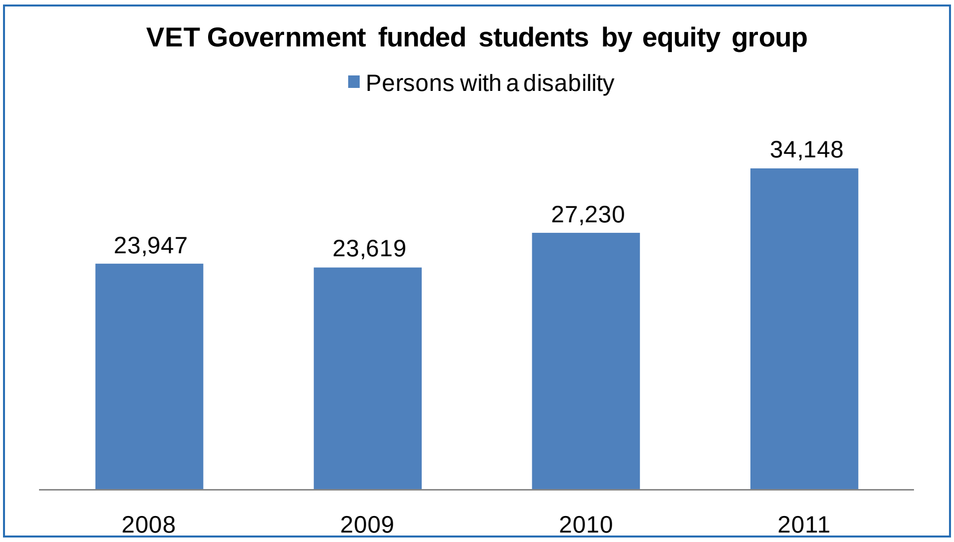


Figure 4.11: VET government funded students by equity group: person with a disability – completions by qualification level in 2008 and 2011

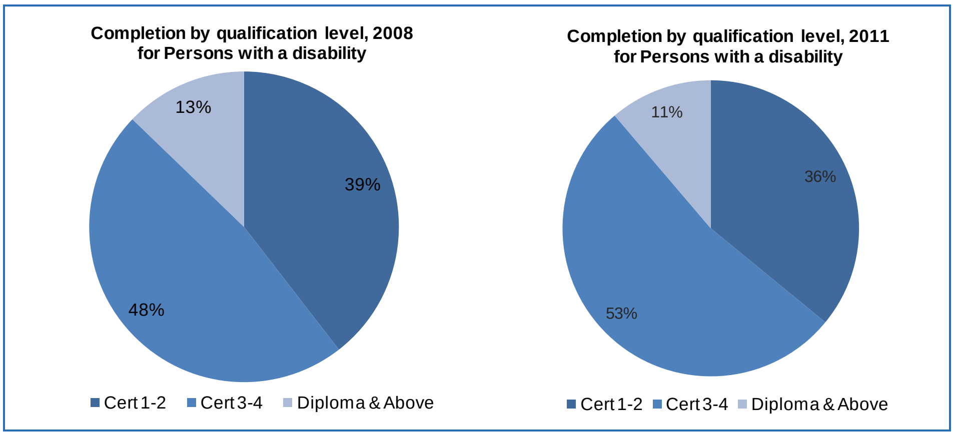


Figure 4.12: VET government funded students by equity group: indigenous

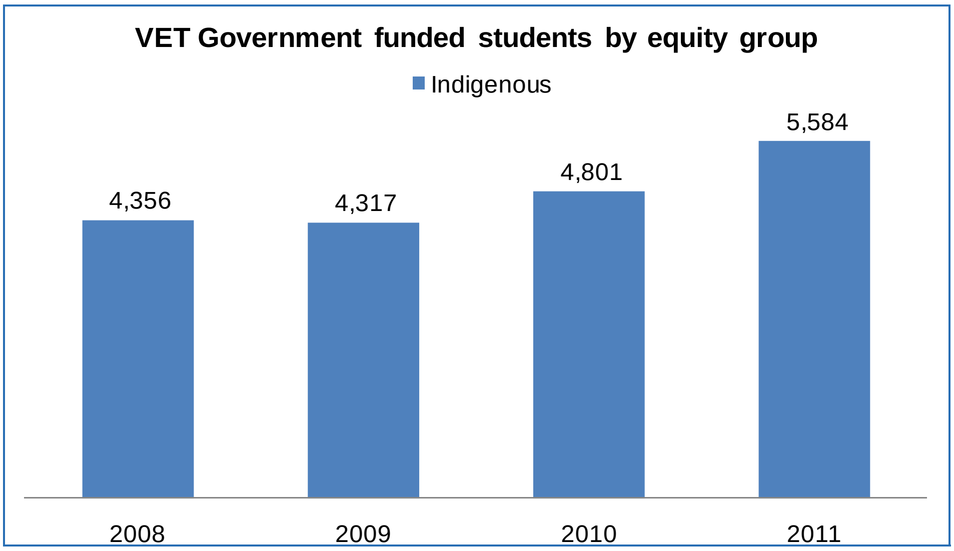


Figure 4.13: VET government funded students by equity group, completions by indigenous students, share in 2008 and 2011

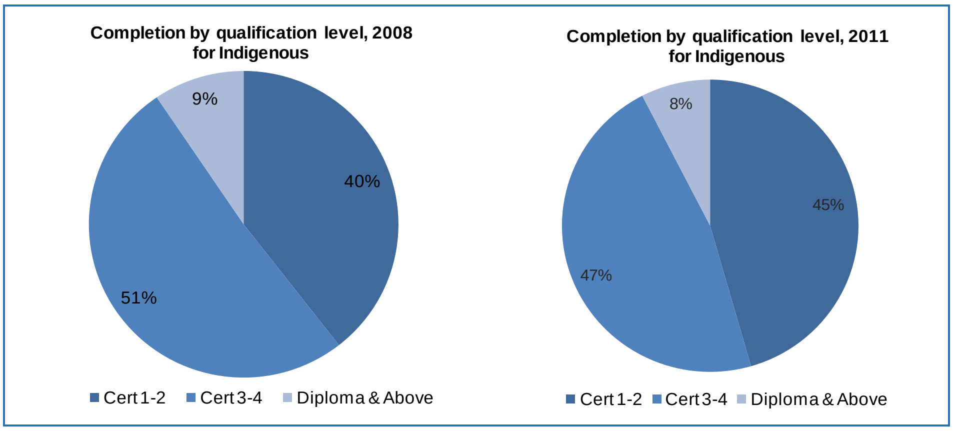


Figure 4.14: VET government funded students by equity group: CALD

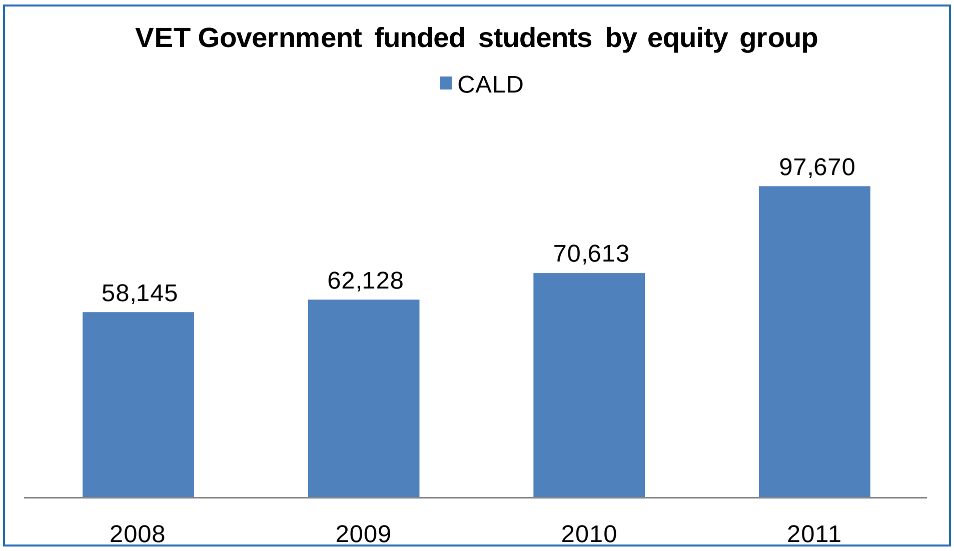
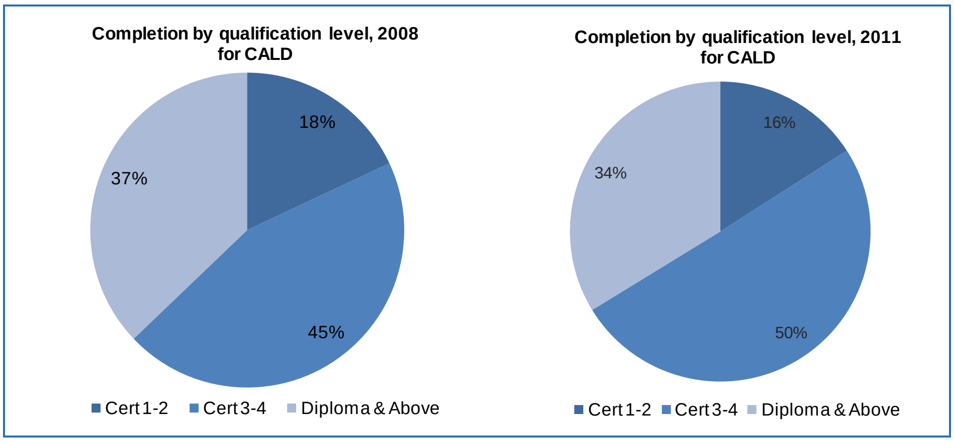


Figure 4.15: VET government funded students by equity group: CALD – completions by qualification level in 2008 and 2011



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

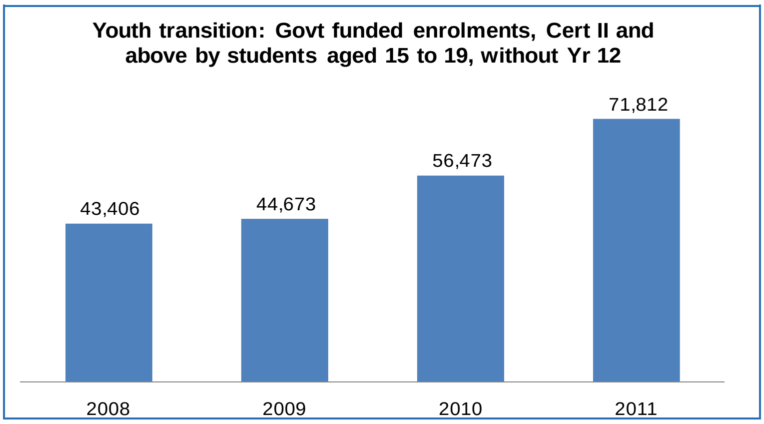
Over the last four years, the growth in government funded enrolments at the Certificate II and above level by students aged 15 to 19 who did not complete Year 12 has been significant, with over 28,000 more students in this group studying in 2011 compared with 2008.

This is particularly important in terms of tackling youth unemployment, with the number of jobs held by 15-19 year-olds shrinking by more than 92,000 in the last three years; as one of the biggest challenges we currently face is that when jobs are available for teenagers and young adults – particularly young disadvantaged people – they are often not ready for them.

Table 4.11: Youth transition: VET government funded enrolments Cert II and above by students aged 15 to 19 who did not complete Year 12

	2008	2009	2010	2011	% change 2008-2011	% change 2010-2011
Course Enrolments	43,406	44,673	56,473	71,812	65%	27%

Figure 4.16: Youth transition: VET government funded enrolments, Cert II and above by students aged 15 to 19 who did not complete Year 12



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

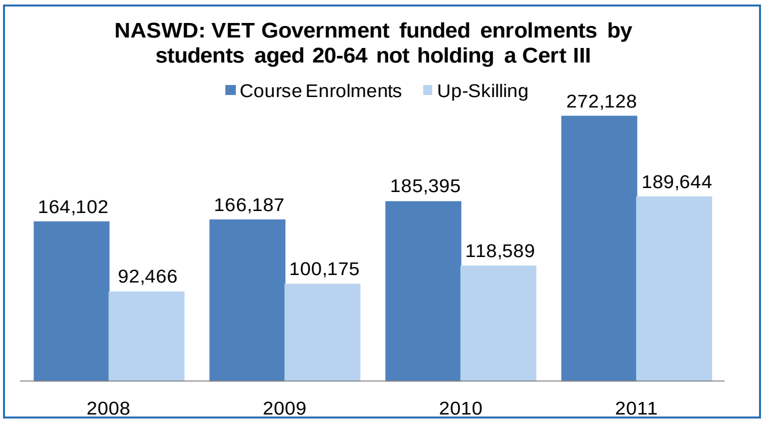
Older students (20 to 64 years) engaging with training for the first time or up-skilling through vocational education have been important in building the skills capacity of the Victorian population and responding to the needs of industry.

Between 2008 and 2011 the number of government funded students aged 20-64 (not holding a Cert III level qualification) engaging in up-skilling through VET rose 105 per cent, equivalent to nearly 100,000 students. Overall course enrolments for this group rose 66 per cent over the same period. This is likely to reflect the eligibility criteria of the Victorian Training Guarantee which limits eligibility of government funding to those people training at higher level qualifications. This also reflects the future industry requirements for advanced skills to support their sectors through transition.

Table 4.12: VET government funded enrolments by students aged 20-64 not holding a Cert III

	2008	2009	2010	2011	% change 2008-2011	% change 2010-2011
Course Enrolments	164,102	166,187	185,395	272,128	66%	47%
Up-Skilling	92,466	100,175	118,589	189,644	105%	60%

Figure 4.17: VET government funded enrolments by students aged 20-64 not holding a Cert III



Foundation Level Training

Foundation Level Training

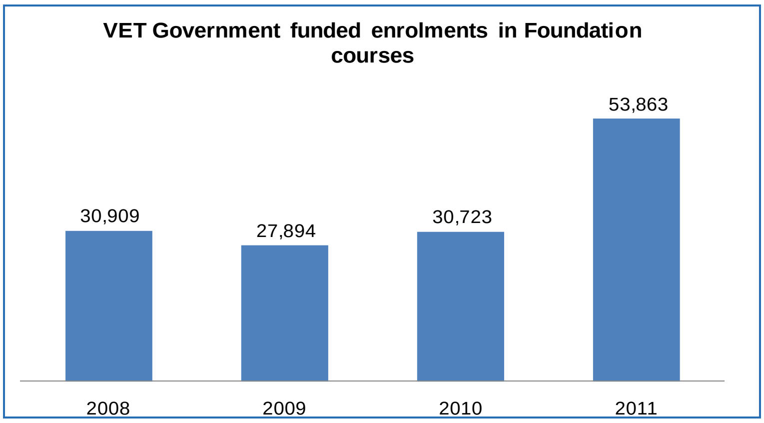
An efficient and effective training market plays a vital role in providing better outcomes for individuals and employers, as well as the wider Victorian community. Of particular importance is ensuring school leavers and adults without solid foundation skills in literacy, numeracy and language are given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

- In 2011, there were 53,863 government funded enrolments in Foundation courses – representing growth of 74 per cent between 2008 and 2011.

Table 4.13: VET government funded enrolments in foundation courses

	2008	2009	2010	2011	% change 2008-2011	% change 2010-2011
15 to 19	6,687	6,458	7,864	14,190	112%	80%
20 to 24	3,344	2,920	3,651	7,416	122%	103%
25 to 44	13,386	11,488	12,124	20,059	50%	65%
45 to 64	6,426	5,923	6,250	10,846	69%	74%
Under 15, over 64 , not stated	1,066	1,105	834	1,352	27%	62%
Total	**30,909**	**27,894**	**30,723**	**53,863**	**74%**	**75%**

Figure 4.18: VET government funded enrolments in foundation courses



Apprentices and Trainees

Apprentices and Trainees Activity

In 2011, training providers reported a 32 per cent increase in apprenticeship and traineeship enrolments compared to 2008 and 24 per cent more than at the same time in 2010. Trends indicate an improvement in apprenticeship numbers since 2009 when the effects of the economic slowdown reduced demand.

The top three apprenticeship courses in 2011 were Certificate III in Plumbing, Certificate III in Carpentry and Certificate III in Electro-technology Electrician. For trainees, the top three courses were Certificate III in Retail, Certificate in Hospitality and Certificate III in Process Manufacturing.

Between 2010 and 2011, for apprentices aged 25 to 44 years and 45 to 64 years there has been a growth of 9 percent and 13 percent respectively. Growth in the 20 to 24 years group was only 2 per cent and declines were seen in the 15 to 19 year age group.

Table 4.14: VET government funded enrolments by apprentices and trainees

	2008	2009	2010	2011	% change 2008-2011	% change 2010-2011
Apprentices	42,057	41,728	45,393	46,404	10%	2%
Trainees	53,857	49,090	56,750	80,058	49%	41%
Apprentices + Trainees	**95,914**	**90,818**	**102,143**	**126,462**	**32%**	**24%**

Table 4.15: VET government funded enrolments by apprentices and trainees who completed year 12 at school

	2008	2009	2010	2011	% change 2008-2011	% change 2010-2011
Apprentices	17,349	17,366	19,224	20,208	16%	5%
Trainees	24,505	21,929	26,402	36,570	49%	39%
Apprentices + Trainees	**41,854**	**39,295**	**45,626**	**56,778**	**36%**	**24%**

Table 4.16: VET government funded enrolments by apprentices, by age

	2008	2009	2010	2011	% change 2008-2011	% change 2010-2011
15 to 19	19,104	18,415	19,476	19,343	1%	-1%
20 to 24	16,417	16,491	18,129	18,564	13%	2%
25 to 44	5,988	6,289	7,164	7,801	30%	9%
45 to 64	496	501	602	682	38%	13%
Under 15, over 64 , not stated	52	32	22	14	-73%	-36%
Apprentices	**42,057**	**41,728**	**45,393**	**46,404**	**10%**	**2%**

Figure 4.19: VET government funded enrolments by apprentices

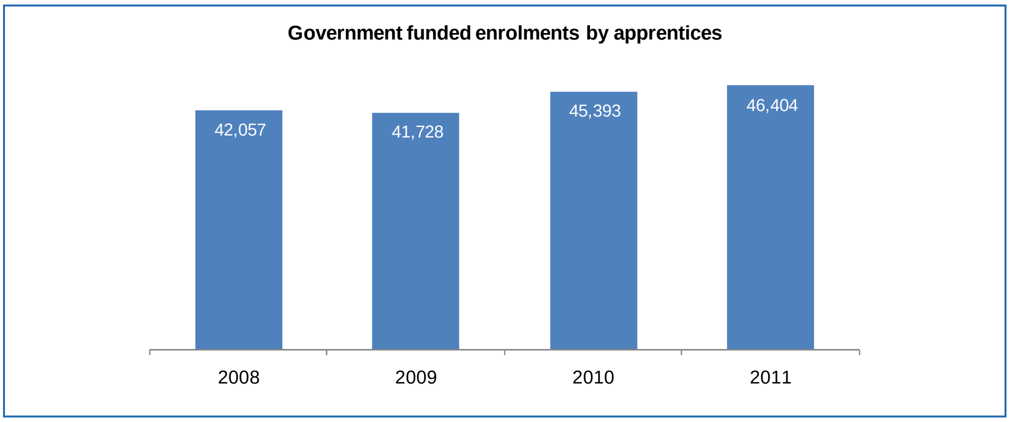
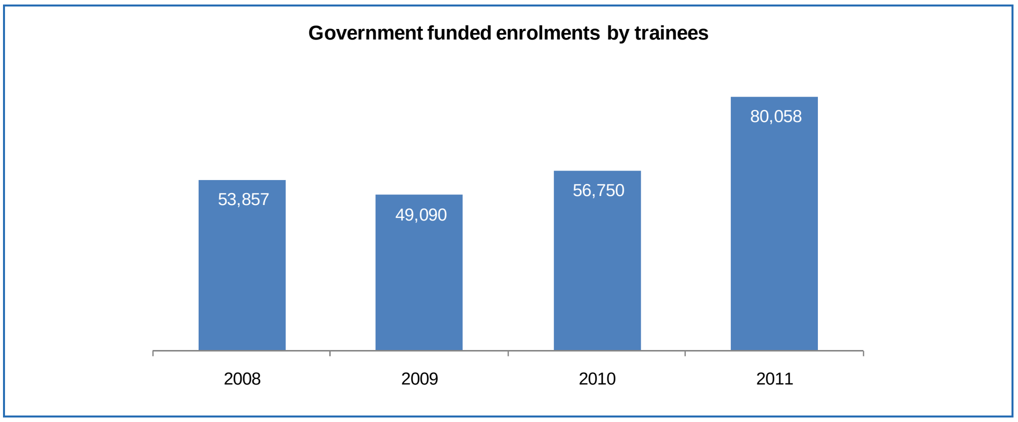


Table 4.17: VET government funded enrolments by trainees, by age

	2008	2009	2010	2011	% change 2008-2011	% change 2010-2011
15 to 19	21,221	20,732	22,697	26,074	23%	15%
20 to 24	12,787	10,984	12,433	15,222	19%	22%
25 to 44	14,453	12,386	14,808	24,548	70%	66%
45 to 64	4,786	4,552	6,505	13,633	185%	110%
Under 15, over 64 , not stated	610	436	307	581	-5%	89%
Trainees	**53,857**	**49,090**	**56,750**	**80,058**	**49%**	**41%**

Figure 4.20: VET government funded enrolments by trainees



Higher Education

Higher Education Activity Delivered by the University Sector

In 2010, the total number of undergraduate students in Victoria's University sector was 208,000, an increase of more than 11 per cent over 2008 figures.

Dual sector institutions (Universities with TAFE divisions) represented 38 per cent of student numbers compared with 58 per cent for other Universities and 4 per cent for other higher education providers (i.e. TAFE and private providers).

Dual sector institutions grew student numbers by 13 per cent in 2010, above the university-only sector which grew by 6 per cent. Higher growth among dual sector providers may be partly due to having well established pathways between higher level VET and higher education.

Table 4.18: Undergraduate enrolments delivered by the university sector

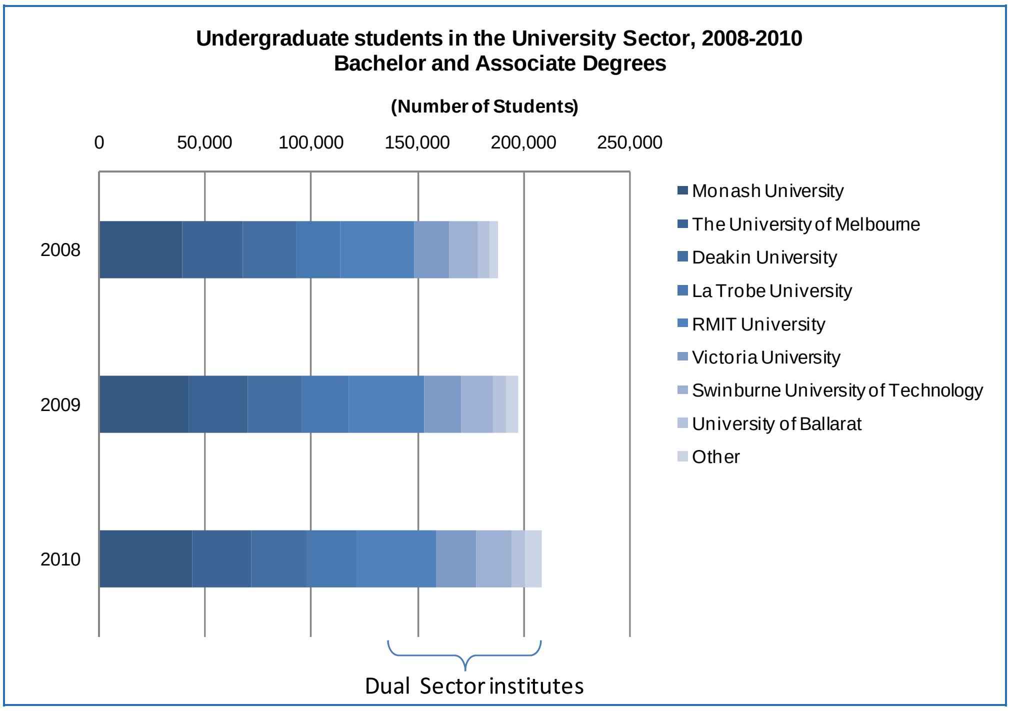
	2008	2009	2010	% change 2008-2010
Monash University	39,806	42,486	44,461	12%
The University of Melbourne	27,903	27,673	27,311	-2%
Deakin University	25,152	25,111	25,991	3%
La Trobe University	21,026	22,045	23,489	12%
RMIT University	34,427	35,823	37,523	9%
Victoria University	16,312	17,538	19,001	16%
Swinburne University of Technology	13,215	14,542	15,921	20%
University of Ballarat	5,807	6,064	6,675	15%
Other	4,360	5,807	7,490	72%
State Total	**188,008**	**197,089**	**207,862**	**11%**

Table 4.19: Undergraduate enrolments summary

2010	Number	% of total	% growth
University-only sector	121,252	58%	6%
Dual sector	79,120	38%	13%
Other HE providers	7,490	4%	72%
State Total	**207,862**	**100%**	**92%**

Data source: Department of Education, Employment and Workplace Relations, 2010

Figure 4.21: Undergraduate enrolments delivered by the university sector



Fee Concessions

In 2011, nearly 7,100 students eligible for concession fees had started training in Diplomas and Advanced Diplomas. In addition, 2,500 students continuing their training from earlier years have benefitted from access to concession fees.

The metropolitan dual-sector institutions provide the largest share of higher level courses to young students and have also reported the greatest number of concession students in 2011, accounting for almost half of the Diploma and Advanced Diploma concession students.

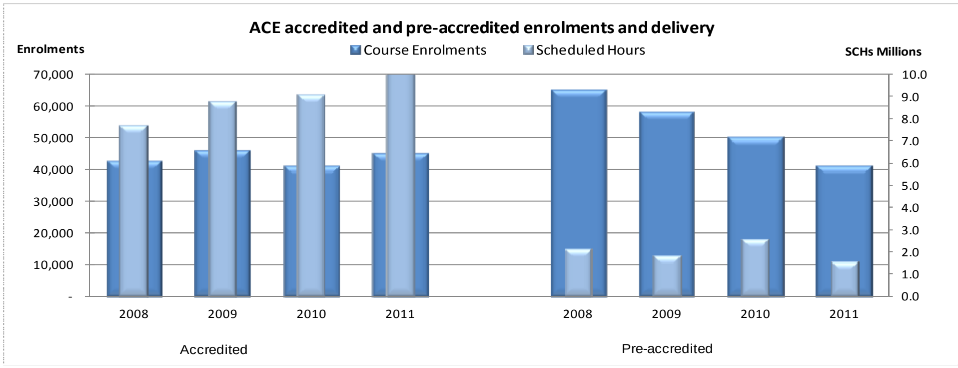
Eligibility Exemptions

A limited number of government funded places have been allocated to training providers for people aged 20 or over who already have a vocational or higher education qualification but who need training at the same level as their existing qualification or lower. These exemptions from the eligibility criteria are determined by providers on a case by case basis and reported to Skills Victoria. There is some reporting by private RTOs of the exemptions from eligibility criteria that they apply, but this information does not currently constitute a complete picture.

TAFE institutes have reported 103 per cent of their initial allocation of eligibility exemptions in terms of enrolments in 2011.

ACFE Performance

Figure 4.22: ACFE accredited and pre-accredited enrolments and delivery



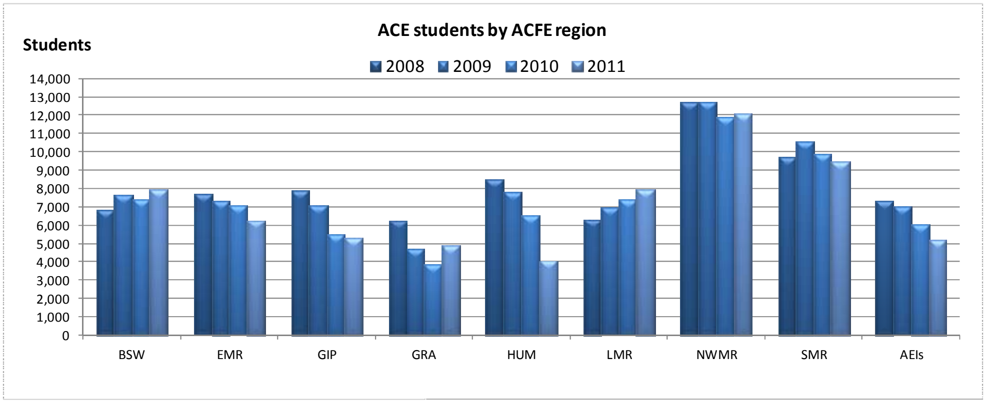
In 2011, Adult, Community and Further Education (ACFE) providers have seen 12 per cent growth in student contact hours and a 5 per cent decrease in enrolments when both pre-accredited and accredited training are represented.

There has been a shift from pre-accredited to accredited delivery over the past few years. Accredited student contact hours increased by 51 per cent between 2008 and 2011. Enrolments for 2011 (compared to 2010) were 11 per cent higher and student contact hours 27 per cent higher.

Pre-accredited enrolments in 2011 were 37 per cent lower than 2008 and 18 per cent lower than 2010. Student contact hours in 2011 are 40 per cent lower than 2010 representing a decline in fee-for-service delivery.

For ACFE, the shift to longer pre-accredited and accredited courses highlights a trajectory in which expanded delivery of training hours is accompanied by a decline in student numbers.

Figure 4.23: ACFE students by ACFE region, all funding sources



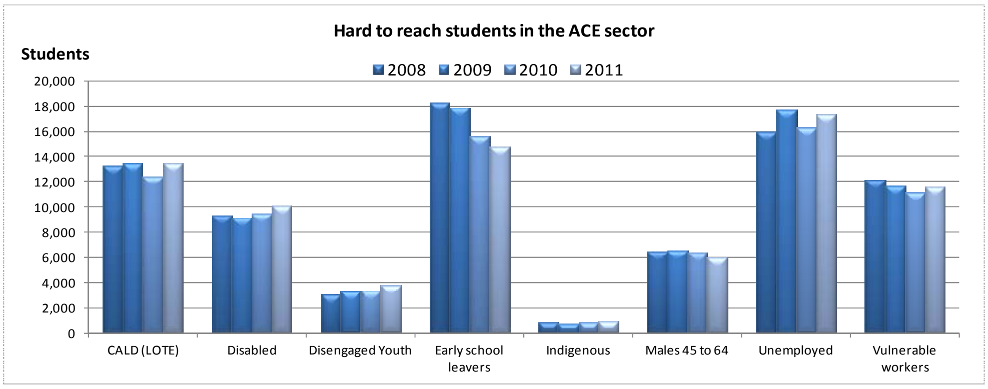
Between 2010 and 2011, ACFE providers have seen a 12 per cent growth in student contact hours and a 5 per cent decrease in enrolments when both pre-accredited and accredited training are represented.

Four regions recorded an increase in student numbers in 2011. Three of these are in regional Victoria (Barwon South Western - up 7 per cent, Loddon Mallee - up 7 per cent, and Grampians - up 28 per cent).

Student numbers fell in four regions in 2011 (Eastern Metro – down 12 per cent), Southern Metro – down 4 per cent, Gippsland – down 4 per cent, Hume – down 38 per cent) and for the Adult Education Institutions (AEIs) (down 14 per cent). Hume region's 38 per cent decrease in students is a result of declining learner numbers in both pre-accredited and accredited training.

- The decline in pre-accredited students reflects a continuing trend of less fee-for-service delivery than in previous years, and the ACFE Board redistributing government subsidised hours away from this region to more fairly represent population share by disadvantaged students across the State.
- The decline in accredited students is partly attributable to a decline in ACFE provider numbers, with an overall decrease occurring across all providers in the region.

Figure 4.24: ACFE hard to reach students, all funding sources



Student numbers have increased in 2011 for six of eight key measures of 'hard to reach' groups. CALD (up 8.4 per cent), disabled students (up 6.5 per cent), disengaged youth (up 11.8 per cent), indigenous (up 10.4 per cent), unemployed (up 6.8 per cent), and vulnerable workers (up 3.6 per cent).

Early school leavers have typically made up the largest number of 'hard to reach' students. The number of these students in the ACE sector has fallen (19 per cent since 2008) but it remains the second largest group represented in ACE.

Male students aged 45-64 have decreased by 7 per cent in 2011. This fall is in contrast to the 28 per cent growth in all government subsidised 45-64 year old male students in VET settings in the same period.

5. The Provider Market

Introduction

The introduction of the Victorian Training Guarantee and contestable funding arrangements has led to a significant number of providers entering the government funded VET market, improving access and choice for students and employers.

By establishing a more competitive training market, employers are well positioned to influence course offerings and drive providers to deliver more tailored training. This will potentially improve the responsiveness of the training system to labour market needs and improve the employability of individuals.

This section will provide a detailed analysis of the characteristics of the changing provider market for government funded training since 2008. This section details:

- The changing training market structure by looking at the proportional share across provider type in terms of delivery levels and provider numbers
- The delivery profile between each provider type by looking at the proportion of course qualification levels and area of study in relation to industry
- The learner profile for each provider type including demographic characteristics.

A summary of provider characteristics according to each provider type (TAFE, private RTOs and ACE providers) can be found in Table 5.6 at the end of this chapter.

Training Market Structure in Victoria – Delivery

The training market has grown since 2009. Government funded enrolments have risen from 381,270 in 2008 to 549,450 in 2011, an increase of 44 per cent (see Table 5.1). This increase has not been even across all provider types, leading to changes in the structure of the training market.

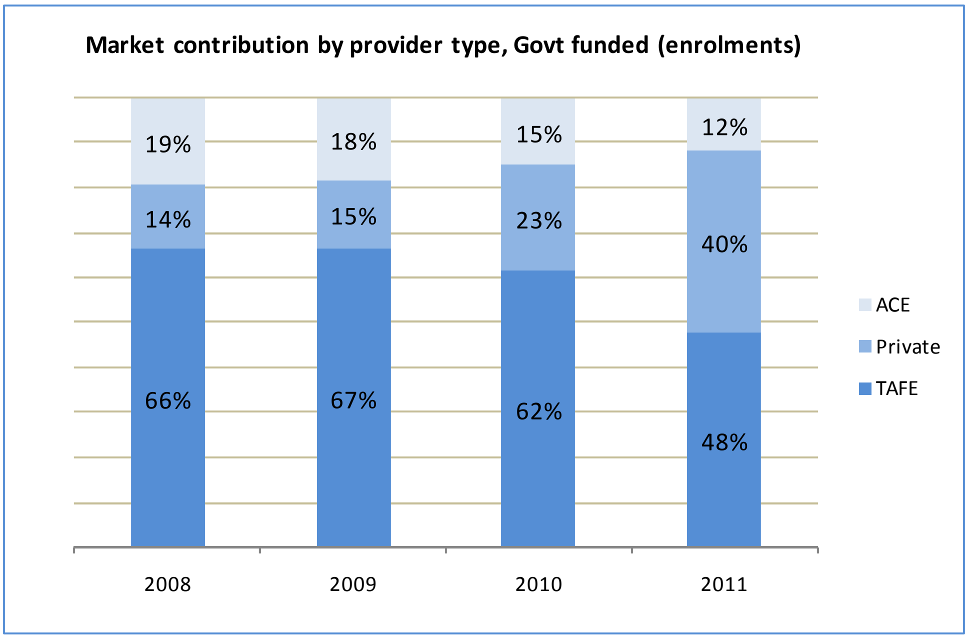
Figure 5.1 demonstrates this change and the strong rise in enrolments among private RTOs from 2008 (the last full year before the VTG was introduced) to 2011.

- Private RTOs have increased their share of government funded enrolments from 14 per cent to 40 per cent over this period, and from 15 per cent in 2008 to 39 per cent in 2011 in terms of student contact hours.
- TAFE institutes' share of enrolments declined to 48 per cent of enrolments in 2011, from 66 per cent in 2008; and from 77 per cent to 54 per cent in terms of student contact hours. However, overall TAFE enrolments have increased by 4 per cent over the same period.
- ACE providers, a relatively small proportion of the market, saw their market share fall from 19 per cent of enrolments in 2008 to 12 per cent in 2011, and from 8 per cent of student contact hours to 7 per cent over the same period.

Table 5.1: Government funded delivery by provider type, enrolments

	2008	2009	2010	2011	% change 2008-2011	% change 2010-2011
TAFE	73,771	68,304	63,810	64,634	-12%	1%
ACE	54,031	57,412	99,758	221,356	310%	122%
TAFE	253,468	251,079	263,337	263,460	4%	0%
Total	**381,270**	**376,795**	**426,905**	**549,450**	**44%**	**29%**

Figure 5.1: Market contribution of government delivery by provider type, enrolments



Training Market Structure in Victoria – Providers

There are approximately 1,300 registered training organisations (RTOs) operating in Victoria in 2011. The overall number of providers delivering government funded training at TAFE institutes, private RTOs or ACE institutes has increased from 561 in 2008 to 758 in 2011 leading to increased choice for students and employers.

As illustrated by Table 5.2, the number of private RTOs delivering government-funded training has increased in number from 201 to 430, an increase of 114 per cent from 2008 to 2011. ACE provider numbers have fallen from 342 to 310 over the same period.

Growth in private RTOs is consistent across the nine education regions, with the largest increase in provider numbers seen in the Western Metropolitan region, which also has the highest number of private RTOs.

In regional Victoria, Barwon South West experienced the largest increase in private RTOs, from 29 to 73, while Loddon Mallee has the highest number (78 private RTOs). This is reflective of the population density of these regional areas.

Table 5.2: VET delivery by provider type and funding type, number of providers

		2008	2009	2010	2011	% change 2008-2011	% change 2010-2011
Domestic Fee For Service	TAFE	18	18	18	18	⇨ 0%	⇨ 0%
	ACE	342	320	316	310	⇩ -9%	⇨ -2%
	PRIV	201	246	344	430	⇧ 114%	⇧ 25%
Government Funded	TAFE	18	18	18	18	⇨ 0%	⇨ 0%
	GF Total	**561**	**584**	**678**	**758**	**35%**	**12%**
		2008	**2009**	**2010**	**2011**	**% change 2008-2011**	**% change 2010-2011**
Domestic FFS	TAFE	18	18	18	18	⇨ 0%	⇨ 0%
	ACE	342	320	316	310	⇩ -9%	⇨ -2%
	PRIV	201	246	344	430	⇧ 114%	⇧ 25%
GF	TAFE	18	18	18	18	⇨ 0%	⇨ 0%
	GF Total	**561**	**584**	**678**	**758**	**35%**	**12%**

⇧	Indicates increase above 5%
⇨	Indicates change betw een 5% and -5%
⇩	Indicates decline greater than -5%

Delivery Profile for Each Provider Type

The increasing competition among providers does appear to be enhancing choice in terms of available providers in many study areas. Table 5.3 highlights strong growth in the number of private RTOs in all industry areas except for Electricity, Gas, Water and Waste Services, Mining, and Rental, Hiring and Real Estate Services. In particular, the following industries have experienced a significant increase in the number of private RTOs delivering training:

- Professional, Scientific and Technical Services
- Health Care and Social Assistance
- Education and Training
- Administrative and Support Services
- Accommodation and Food Services
- Transport, Postal and Warehousing

Table 5.3: Industry of study by provider type – government funded, Certificate I and above, number of providers

Industry of Study	ACE			Private RTO			TAFE		
	2008	2011	Change 2008 to 2011	2008	2011	Change 2008 to 2011	2008	2011	Change 2008 to 2011
Accommodation and Food Services	47	40	-15%	59	102	73%	17	17	0%
Administrative and Support Services	83	72	-13%	93	195	110%	18	18	0%
Agriculture, Forestry and Fishing	18	16	-11%	19	28	47%	17	17	0%
Arts and Recreation Services	12	16	33%	16	40	150%	18	17	-6%
Construction	4	8	100%	28	40	43%	17	17	0%
Education and Training	21	42	100%	23	86	274%	18	18	0%
Electricity, Gas, Water and Waste Services	1	0	-100%	3	3	0%	6	5	-17%
Financial and Insurance Services	3	1	-67%	6	25	317%	15	11	-27%
Health Care and Social Assistance	85	77	-9%	53	145	174%	17	17	0%
Information Media and Telecommunications	8	4	-50%	4	10	150%	17	16	-6%
Manufacturing	6	9	50%	45	65	44%	18	18	0%
Mining	0	0	n/a	1	1	0%	2	5	150%
Other Services	18	14	-22%	28	56	100%	17	17	0%
Professional, Scientific and Technical Services	13	22	69%	24	162	575%	18	18	0%
Public Administration and Safety	2	1	-50%	3	17	467%	15	13	-13%
Rental, Hiring and Real Estate Services	0	0	n/a	1	2	100%	7	12	71%
Retail Trade	36	36	0%	74	111	50%	18	18	0%
Transport, Postal and Warehousing	7	7	0%	51	85	67%	17	17	0%
Wholesale Trade	2	2	0%	11	25	127%	11	12	9%
Foundation Skills and LOTE	126	101	-20%	12	37	208%	18	17	-6%
Total providers	**342**	**310**	-9%	**201**	**430**	114%	**18**	**18**	0%

Note: The number of total providers is smaller than the sum of providers for each industry because many providers deliver in more than one industry.

See also notes under Table 5.4.

In response to the reform, various provider sectors have responded differently in terms of the industries they deliver to.

Table 5.4 illustrates that total enrolments have grown by 60 per cent across all industries since 2008, with the exception of Mining. However, these overall growth patterns hide considerable differences in industry growth by provider type.

Table 5.4: Industry of study by provider type – government funded, Certificate I and above, enrolments

Industry of study	ACE enrolments			Private RTO enrolments			TAFE enrolments		
	2011	Change 2008-11 %	Market share in 2011	2011	Change 2008-11 %	Market share in 2011	2011	Change 2008-11 %	Market share in 2011
Accommodation and Food Services	3,110	-2%	9%	18,716	234%	53%	13,663	-17%	38%
Administrative and Support Services	3,544	-22%	6%	38,512	354%	63%	19,190	-32%	31%
Agriculture, Forestry and Fishing	723	77%	5%	3,354	126%	24%	9,661	-3%	70%
Arts and Recreation Services	812	2%	3%	13,900	2387%	53%	11,580	8%	44%
Construction	304	290%	1%	10,876	195%	23%	36,024	30%	76%
Education and Training	1,178	136%	12%	4,540	504%	47%	3,869	-25%	40%
Electricity, Gas, Water and Waste Services	-	-100%	0%	135	150%	17%	661	24%	83%
Financial and Insurance Services	8	-79%	0%	6,047	4982%	90%	678	-25%	10%
Health Care and Social Assistance	7,924	87%	13%	28,615	470%	47%	24,218	19%	40%
Information Media and Telecommunications	79	4%	2%	178	178%	4%	4,260	7%	94%
Manufacturing	223	-15%	1%	14,377	430%	45%	17,551	-22%	55%
Mining	-	n/a	0%	6	-81%	2%	270	-24%	98%
Other Services	798	163%	4%	7,897	236%	36%	13,242	12%	60%
Professional, Scientific and Technical Services	520	215%	1%	19,290	3894%	37%	31,805	-13%	62%
Public Administration and Safety	33	-90%	0%	6,082	55191%	68%	2,849	-26%	32%
Rental, Hiring and Real Estate Services	-	n/a	0%	562	518%	36%	990	88%	64%
Retail Trade	1,580	-8%	5%	23,609	145%	74%	6,546	-8%	21%
Transport, Postal and Warehousing	416	915%	1%	16,431	291%	58%	11,302	60%	40%
Wholesale Trade	5	-50%	1%	570	375%	77%	165	-55%	22%
Foundation Skills and LOTE	9,382	-4%	18%	4,081	565%	8%	37,470	72%	74%
TOTAL	**30,639**	**16%**	**6%**	**217,778**	**372%**	**44%**	**245,994**	**4%**	**50%**

Notes:

1. Data scope of the above table includes only Government funded (GF) Certificate I and above courses, as industry classification is only applicable to these courses. As it is a smaller scope than the overall GF enrolments reported elsewhere in this report, the total number of enrolments is not necessarily identical elsewhere.

2. Industry classification of study is indicative only.

3. 'Foundation Skills and LOTE' is not one of the 19 ANZSIC Industry Divisions. However, these enrolments pave the way for further study or training if the learner chooses to do so.

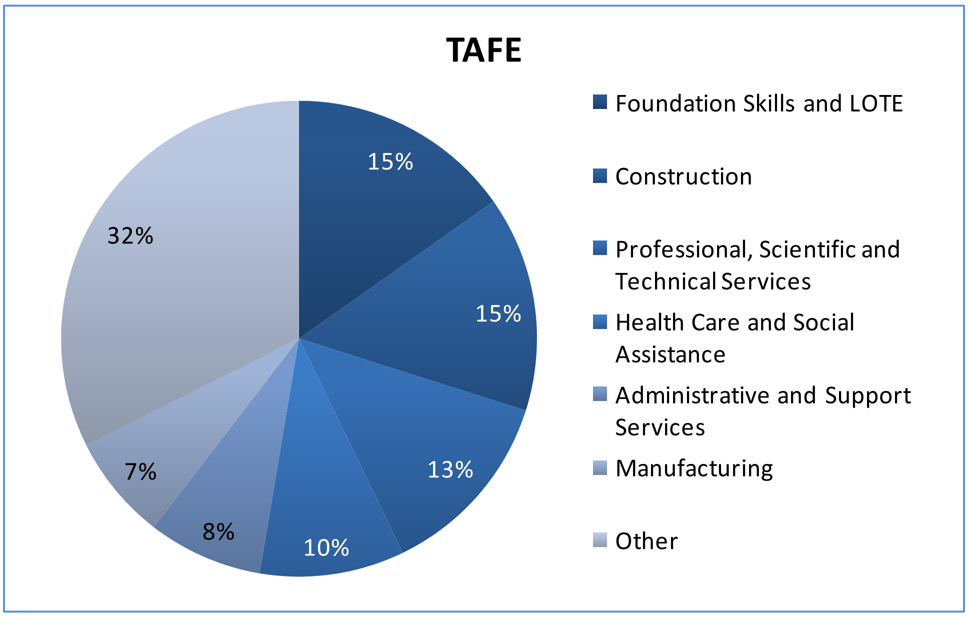
4. Caution: Some percentage change occurs with a very small number base.

The following charts on industry of study highlight the top 5 industries of study under each provider type in 2011. The charts also include enrolments grouped under 'Foundation Skills and LOTE'.

TAFE

TAFE provider's enrolments are spread out across many industries. The highest number of enrolments are in Foundation Skills and LOTE (15 per cent), closely followed by Construction (15 per cent) and Professional, Scientific and Technical Services (13 per cent).

Figure 5.2: Industry of study – government funded, TAFE providers, enrolment contribution



TAFE enrolments have increased in 8 of the 19 industries since 2008. While TAFE has an average growth of 4 per cent, some industries have recorded substantially higher growth since 2008:

- Construction – course enrolments rose 30 per cent, up by 8,386 to 36,024 in 2011.
- Transport, Postal and Warehousing – enrolments rose 60 per cent, up by 4,247 to 11,302 in 2011
- Foundation Skills and LOTE – enrolments rose 72 per cent, up by 10,299 to 37,470 in 2011.

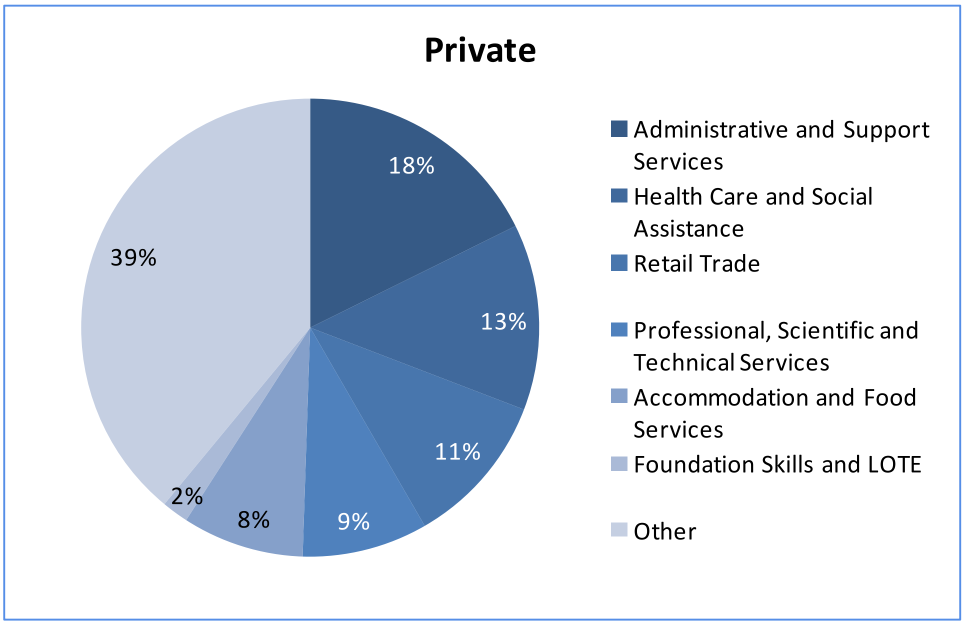
Whilst all provider types are contributing to skill development in industries of importance to the Victorian economy, there are significant variations in the average market share across most industries.

Although TAFE has an average market share of 50 per cent of enrolments across all industries, they account for 94 per cent of enrolments in Information Media and Telecommunications. Additionally, they account for a high proportion of enrolments in Mining (98 per cent), Electricity, Gas, Water and Waste Services (83 per cent), Construction (76 per cent), Agriculture, Forestry and Fishing (70 per cent), Rental, Hiring and Real Estate Services (64 per cent), and Professional, Scientific and Technical Services (62 per cent).

Private RTOs

Enrolments with private RTOs are spread out across many industries, with Administrative and Support Services making up 18 per cent of enrolments, followed by Health Care and Social Assistance (13 per cent) and Retail Trade (11 per cent).

Figure 5.3: Industry of study – government funded, private RTOs, enrolment contribution



Private RTOs have seen enrolment growth in 18 out of the 19 industries, except Mining, over the period from 2008 to 2011. Areas of considerable growth include:

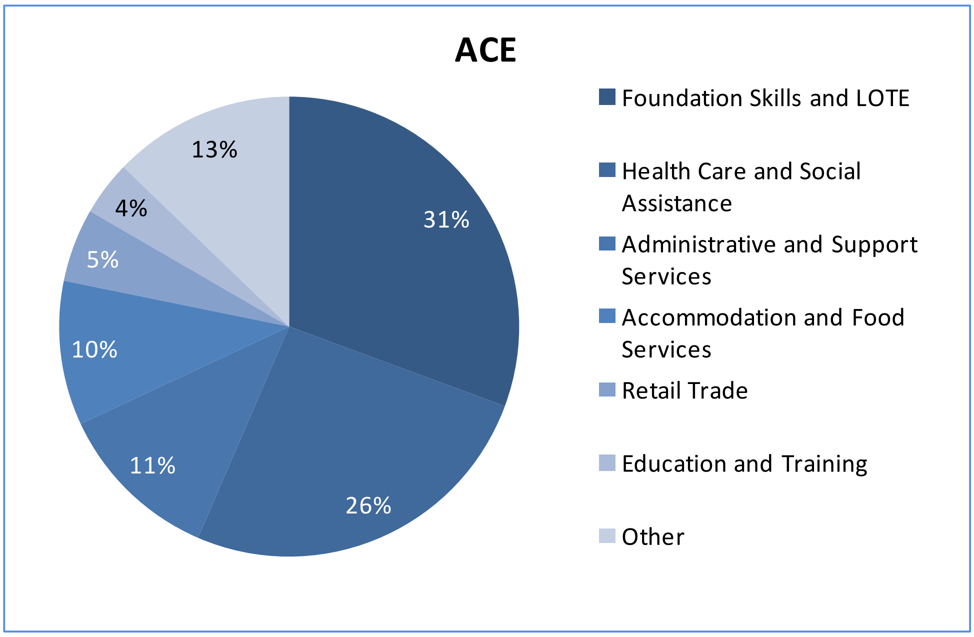
- Health Care and Social Assistance – enrolments grew almost fivefold between 2008 and 2010, to 28,615 enrolments.
- Administrative and Support Services – 354 per cent growth in enrolments between 2008 and 2011 to 38,512 enrolments.
- Professional, Scientific and Technical Services – private RTO enrolments have increased almost fortyfold since 2008, to 19,290 in 2011.
- Manufacturing – increased fourfold to 14,377 enrolments.
- Financial and Insurance Services – enrolments increased from 119 in 2008 to 6,047 in 2011.
- Arts and Recreation Services increased to 13,900 enrolments in 2011.
- Education and Training – enrolments increased fivefold to 4,540 by 2011. The majority (nearly 60 per cent) of the enrolment increase in Education and Training by private RTOs is in the Certificate IV (and some Diploma courses) in Training and Assessment.

At the same time, private RTOs have a much larger share of the following industries than their 44 per cent average share: Financial and Insurance Services (90 per cent), Wholesale Trade (77 per cent), Retail Trade (74 per cent), Public Administration and Safety (68 per cent) and Administrative and Support Services (63 per cent).

ACE Providers

ACE enrolments are focused in certain industries, with the highest number of VET government funded (Certificate I and above) enrolments in Foundation Skills and LOTE (31 per cent), followed by Health Care and Social Assistance (26 per cent) and Administrative and Support Services (11 per cent).

Figure 5.4: Industry of study – government funded, ACE providers, enrolment contribution



Note: Foundation Skills and LOTE is not one of the 19 ANZSIC Industry Divisions, however, these enrolments pave the way for further study or training if the learner chooses to do so. Enrolments in this category account for 10 per cent of all VET government funded enrolments at Certificate I level and above.

As shown in Table 5.4, ACE enrolments have increased in 9 of the 19 industries since 2008. With an average growth of 16 per cent, ACE providers experienced strong growth in the following industries since 2008:

- Transport, Postal and Warehousing – course enrolments increased ninefold by 375 to 416 in 2011
- Professional, Scientific and Technical Services – enrolments more than doubled, up by 355 to 520 in 2011
- Construction – enrolments grew almost threefold, up by 226 to 304
- Health Care and Social Assistance – enrolments grew 87 per cent to 7,924

ACE providers have 18 per cent of Foundation Skills and LOTE enrolments, 13 per cent of Health Care and Social Assistance and 12 per cent of Education and Training, compared with their average market share of 6 per cent.

Qualifications by Provider Type

As seen in Figure 5.5, provider types are differentiating themselves by the types of courses on offer to VET students:

- A majority of enrolments with ACE providers are module only enrolments
- Government funded enrolments with private RTOs are concentrated around qualifications at AQF level 1 and above, in particular at Certificate III–IV level
- Enrolments at TAFE providers are also concentrated around AQF level 1 and above, although TAFE providers see a higher proportion of enrolments at Certificate I-II level when compared with private RTOs.

Figure 5.5: Qualification level by provider type – government funded, enrolments

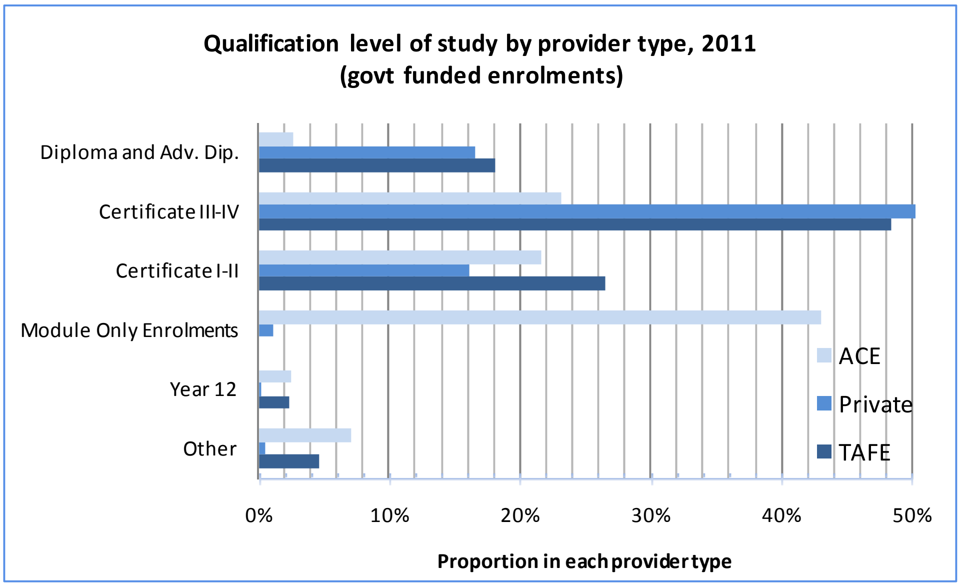


Table 5.5 shows the number of providers delivering at each qualification level. As can be seen in the table, Certificates III-IV is the most commonly delivered qualification level, with 531 out of 758 providers delivering this qualification level, with a particularly high ratio of delivery among private RTOs (408 out of 430 private RTOs).

There has been a marked increase in the number of private providers delivering Diploma level and above qualifications, with the number of providers rising from 34 in 2008 to 257 in 2011. The table also shows there are more ACE providers delivering Diploma and above qualifications – with 37 providers in 2011, compared with 10 in 2008.

Table 5.5: Qualification level by provider type – government funded, number of providers

Qualification level	ACE			Private RTO			TAFE			Total		
	2008	2011	Change 2008 to 2011	2008	2011	Change 2008 to 2011	2008	2011	Change 2008 to 2011	2008	2011	Change 2008 to 11
Certificate I-II	157	123	**-22%**	109	201	**84%**	18	18	**0%**	284	342	**20%**
Certificate III-IV	118	105	**-11%**	190	408	**115%**	18	18	**0%**	326	531	**63%**
Diploma & Above	10	37	**270%**	34	257	**656%**	18	18	**0%**	62	312	**403%**
Other	326	308	**-6%**	14	28	**100%**	18	18	**0%**	358	354	**-1%**
Total providers	**342**	**310**	**-9%**	**201**	**430**	**114%**	**18**	**18**	**0%**	**561**	**758**	**35%**

Learner Profile for Each Provider Type

The increased number of providers in the government funded training market has attracted different student cohorts. This section looks at the patterns of participation by provider type and explores the differences in the following learner cohorts attending different types of providers.

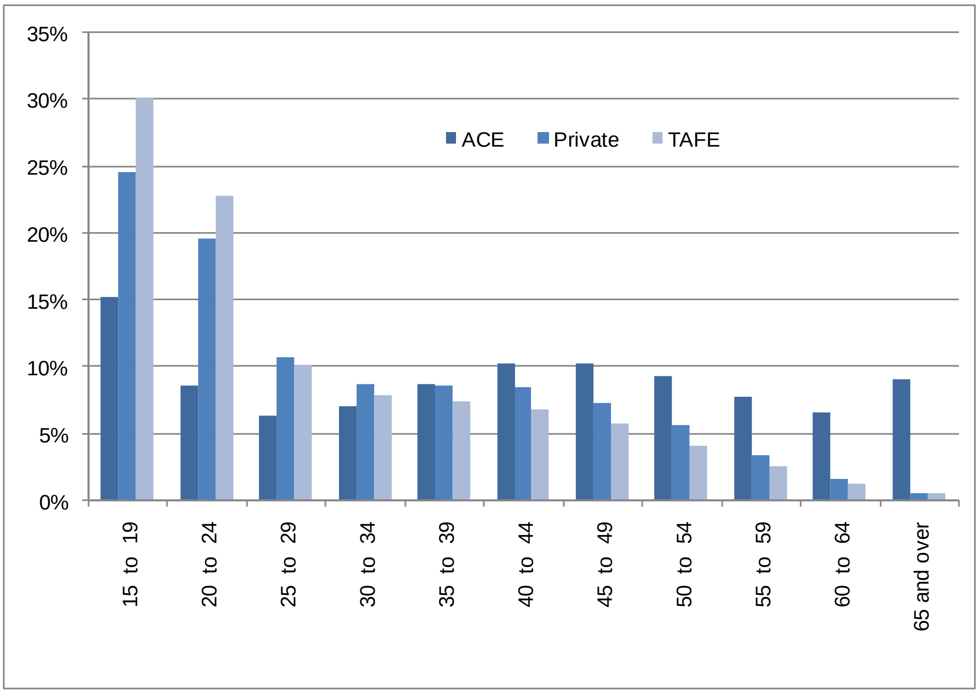
- age
- gender
- disability
- employment status
- highest prior education level

Younger people aged 15-19 years make up the biggest proportion of students across all provider types – 30 per cent of TAFE students, 25 per cent of students at private RTOs and 15 per cent of ACE students. This is followed by the 20–24 year olds, who constitute 23 per cent, 20 per cent and 9 per cent of students respectively at TAFEs, private RTOs and ACE providers.

Students at TAFE and private RTOs have a similar age distribution, in that after 25, the proportion of mature age students gradually decline over the age span. The only difference between TAFEs and private RTOs in this regard is that the private sector has a smaller proportion of students aged between 15 and 24, and a slightly higher proportion of mature students (between 25 and 64 years).

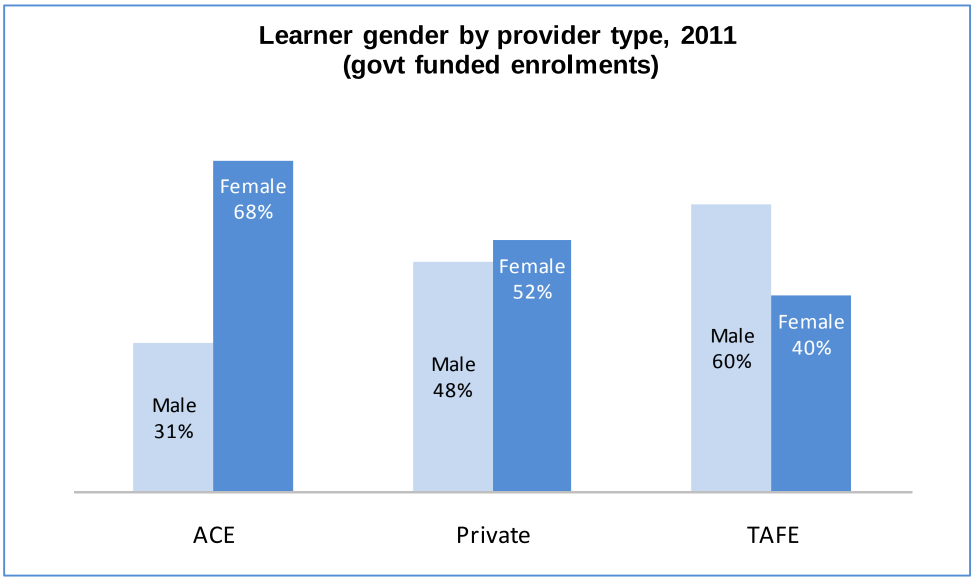
Students at ACE providers have a different age distribution pattern. While 15–19 and 20–24 year olds together represent 24 per cent of its student population, ACE providers tend to have a lower level of participation from people between 25 and 29. Participation at ACE institute increases again from age 30 and peaks at the 45-49 age group. Whilst ACE providers have 9 per cent of students aged 65 and over in 2011, TAFEs and private RTOs have less than one per cent.

Figure 5.6: Learner age by provider type – government funded enrolments



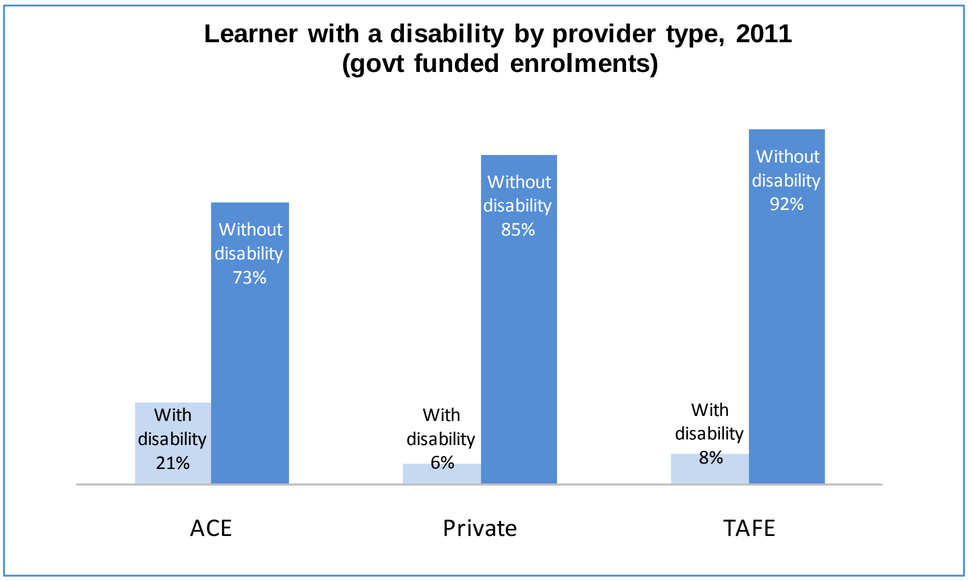
While males comprise a higher proportion of enrolments in TAFE institutes (60 per cent), the pattern reverses in the ACE sector, with females comprising 70 per cent of enrolments. Gender distribution is more balanced in the private RTOs, where 48 percent of students are male and 52 per cent are female.

Figure 5.7: Learner gender by provider type – government funded enrolments



ACE providers reported 21 per cent of students in 2011 with a disability, the highest proportion among all three provider types. TAFE and private RTOs reported 8 per cent and 6 per cent respectively.

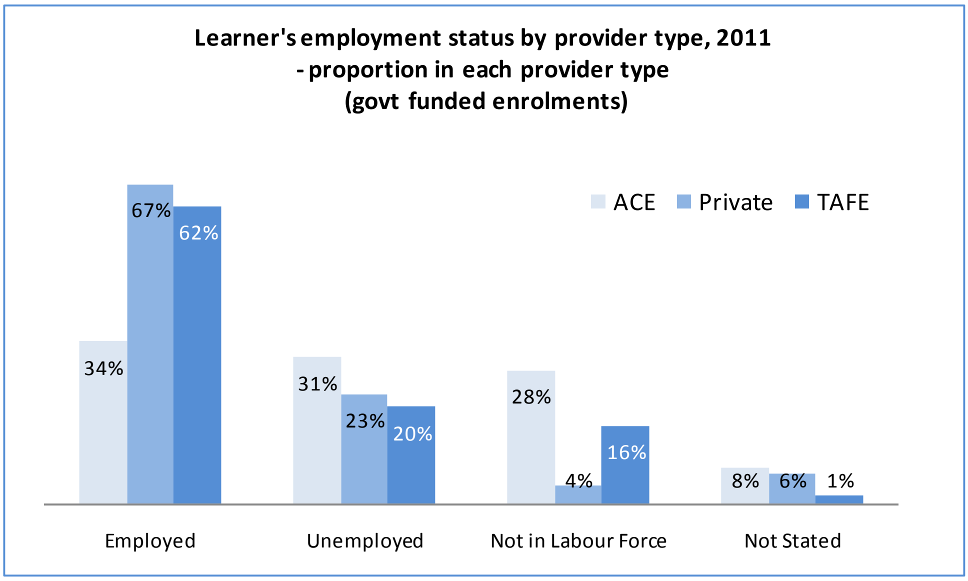
Figure 5.8: Learner with/without a disability by provider type – government funded enrolments



Note: This information was not stated by 9 per cent of students at private RTOs and 6 per cent at ACE providers

Both TAFE and private RTOs have a high proportion (over 60 per cent) of students in employment (full-time and part-time), whilst ACE sector has 34 per cent. While enrolments from students who are not in the labour force are quite common in ACE (28 per cent) and to a lesser extent in TAFEs (16 per cent), they are much less likely to be attending a private RTO (4 per cent).

Figure 5.9: Learner employment status by provider type – government funded enrolments



In general, TAFE students possess higher levels of prior education than their counterparts in the ACE and private sectors. Almost two-thirds (65 per cent) of TAFE students have completed Year 12, or Certificate I and above qualifications, compared with 61 per cent of students at private RTOs and 43 per cent at ACE providers. This shows the important role that VET, across all provider types, plays in lifting the educational attainment of Victorians.

Figure 5.10: Learner highest prior education by provider type – government funded enrolments

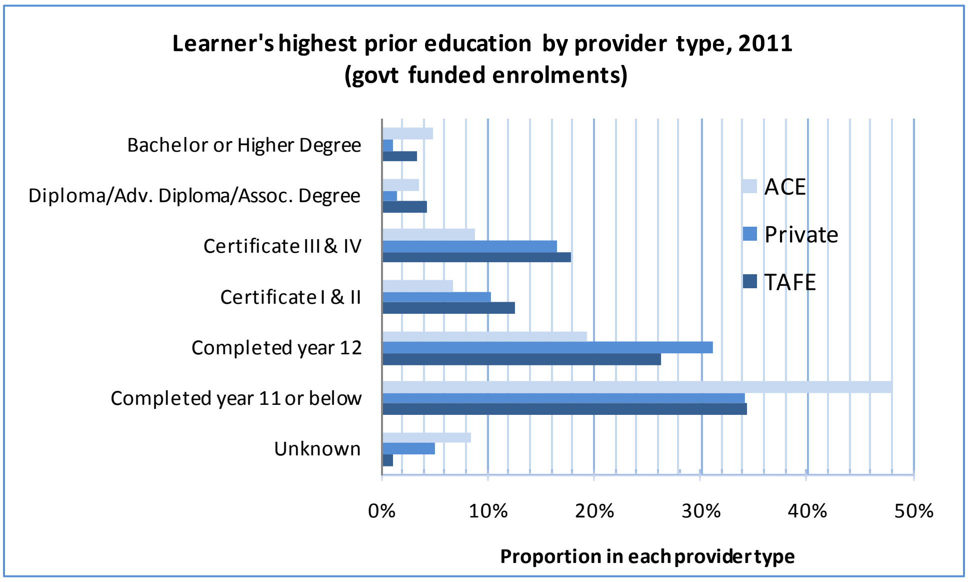


Table 5.6: Summary of provider characteristics by provider type – government funded enrolments, 2011

TAFE	Private RTOs	ACE
Delivery profile		
48% of total TAFE enrolments in Certificate III-IV, followed by Certificate I-II (27%), and Diploma and Advanced Diploma (18%), all delivered by the 18 TAFEs	66% of total private RTO enrolments in Certificate III-IV - by 408 RTOs, followed by Diploma and Advanced Diploma (17%) - by 257 RTOs, and Certificate I-II (16%) - by 201 RTOs	43% of total ACE provider enrolments in Module Only enrolments - by 308 providers, followed by Certificate III-IV (23%) - by 105 providers and Certificate I-II (22%) - by 123 providers
Enrolments spread out across many industries, with Foundation Skills and LOTE (15%), closely followed by: Construction (15%), and Professional, Scientific and Technical Services (13%)	Enrolments spread out across many industries, with Administrative and Support Services (18%), followed by: Health Care and Social Assistance (13%), and Retail Trade (11%)	Enrolments concentrate on certain industries, with 31% of total ACE enrolments in Foundation Skills and LOTE, followed by: Health Care and Social Assistance (26%), and Administrative and Support Services (11%)
Contribution made to Govt funded enrolments in Victoria: 76% in Construction 62% in Professional, Scientific and Technical Services 55% in Manufacturing 40% in Health Care and Social Assistance 38% in Accommodation and Food Services 31% in Administrative and Support Services	Contribution made to Govt funded enrolments in Victoria: 63% in Administrative and Support Services 53% in Accommodation and Food Services 47% in Health Care and Social Assistance 45% in Manufacturing 37% in Professional, Scientific and Technical Services 23% in Construction	Contribution made to Govt funded enrolments in Victoria: 13% in Health Care and Social Assistance 9% in Accommodation and Food Services 6% in Administrative and Support Services 1% in Manufacturing 1% in Professional, Scientific and Technical Services 1% in Construction
Learner profile		
Largest age cohort: 15-24 (53%); participation gradually declines over mature learners	Largest age cohort: 15-24 (44%); participation gradually declines over mature learners (to a lesser extent than TAFE)	Largest age cohort: 15-24 (24%); participation by mature learners grow between 30 and 49, then declines slowly; 9% over 65
60% males	52% females	68% females
62% in employment	67% in employment	34% in employment
8% with disability	6% with disability	21% with disability
16% not in labour force	4% not in labour force	28% not in labour force
65% completed Year 12 prior	61% completed Year 12 prior	43% completed Year 12 prior

6. VET Regional Profiles

Introduction

This section of the report examines training delivery in each of Victoria's regions in the context of the local population, economy and workforce.

Many of Victoria's regions are undergoing structural change as the local economies adjust to international competition, a strong Australian dollar and ongoing uncertainty in the global economic outlook. As a result, training delivery and uptake differs across regions as the training system responds to the skills and training needs of local employers and industry.

Enrolments in the majority of Victoria's regions are growing, particularly in higher level qualifications, as people make use of the opportunities provided by the Victorian Training Guarantee (VTG) to upgrade their skills in response to changing labour market needs.

All regions have experienced an increase in the number of providers delivering government funded training into the region since the introduction of the VTG. This increase has been driven by additional private RTOs entering the government funded system, improving access for students as well as providing more choice in where they study.

The tables below provide an overview of regional training activity measured in enrolments, student contact hours and provider numbers. This is followed by a training market profile of each of the five regional and rural areas and for metropolitan Melbourne. These profiles combine economic analysis with training data to build a picture of the relationship between the local training system and regional skills needs.

Regional Profile by Funding Type

The strong enrolment growth highlighted earlier in this report following full implementation of the VTG has been repeated across the majority of Victoria's regions. The number of course enrolments reported in 2011 compared with 2010 are higher in all regions except Gippsland.

Enrolment growth has been strongest in metropolitan regions, especially in Western Metro (up 45 per cent), and in Barwon South West (up 37 per cent).

Table 6.1: VET enrolments by region (government funded and TAFE domestic fee-for-service)

Delivery Location - Region	2008	2009	2010	2011	% change 2008-2011	% change 2010-2011
Barwon South West	33,701	37,876	41,893	57,323	70%	37%
Grampians	17,216	19,251	18,072	20,210	17%	12%
Loddon Mallee	28,417	32,555	32,391	36,719	29%	13%
Hume	38,321	35,338	36,878	38,698	1%	5%
Gippsland	33,461	29,287	29,789	29,113	-13%	-2%
Eastern Metropolitan	63,380	61,088	68,122	82,382	30%	21%
Western Metropolitan	86,807	82,499	102,601	148,774	71%	45%
Southern Metropolitan	74,528	81,426	96,079	121,756	63%	27%
Northern Metropolitan	56,357	67,167	70,190	81,044	44%	15%
Total regions	**431,300**	**445,509**	**495,018**	**614,523**	**42%**	**24%**
Other	40,056	32,764	36,408	38,244	-5%	5%
Total VET	**470,687**	**477,639**	**530,569**	**651,635**	**38%**	**23%**

*Other - interstate, on-line and workplace delivery
Fee-for-service figures are TAFE on-shore domestic AQF1+ activity only.

Growth has been driven largely by increased numbers of students enrolling in government funded training. The number of government funded course enrolments reported in 2011 compared with 2010 is higher in all regions except for Gippsland, while growth in Western Metro and in Barwon South West is significantly above the average for all regions.

Table 6.2: VET enrolments by region, government funded

Delivery Location - Region	2008	2009	2010	2011	% change 2008-2011	% change 2010-2011
Barwon South West	28,758	31,786	35,800	50,058	74%	40%
Grampians	14,631	16,194	15,005	17,248	18%	15%
Loddon Mallee	23,568	27,936	28,320	32,758	39%	16%
Hume	29,132	26,042	24,673	27,270	-6%	11%
Gippsland	26,717	22,386	22,509	20,467	-23%	-9%
Eastern Metropolitan	55,525	52,174	60,140	73,710	33%	23%
Western Metropolitan	76,313	67,854	88,628	136,311	79%	54%
Southern Metropolitan	63,579	67,663	81,765	107,631	69%	32%
Northern Metropolitan	46,907	52,411	56,429	68,742	47%	22%
Total regions	**364,410**	**363,850**	**412,570**	**532,900**	**46%**	**29%**
Other	17,365	13,448	15,084	17,570	1%	16%
Total VET	**381,270**	**376,795**	**426,905**	**549,450**	**44%**	**29%**

*Other - on-line and workplace delivery

TAFE fee-for-service enrolments have declined slightly over the same period – a trend again consistent across some, but not all, of Victoria's regions. Barwon South West (+19 per cent), Gippsland (+19 per cent) and Eastern Metro (+9 per cent) regions are the exceptions to the trend, experiencing fee-for-service enrolment growth in 2011.

Table 6.3: TAFE domestic fee-for-service enrolments by region

Delivery Location - Region	2008	2009	2010	2011	% change 2008-2011	% change 2010-2011
Barwon South West	4,943	6,090	6,093	7,265	47%	19%
Grampians	2,585	3,057	3,067	2,962	15%	-3%
Loddon Mallee	4,849	4,619	4,071	3,961	-18%	-3%
Hume	9,189	9,296	12,205	11,428	24%	-6%
Gippsland	6,744	6,901	7,280	8,646	28%	19%
Eastern Metropolitan	7,855	8,914	7,982	8,672	10%	9%
Western Metropolitan	10,494	14,645	13,973	12,463	19%	-11%
Southern Metropolitan	10,949	13,763	14,314	14,125	29%	-1%
Northern Metropolitan	9,450	14,756	13,761	12,302	30%	-11%
Total regions	**66,890**	**81,659**	**82,448**	**81,623**	**22%**	**-1%**
Other	22,691	19,316	21,324	20,674	-9%	-3%
Total VET	**89,417**	**100,844**	**103,664**	**102,185**	**14%**	**-1%**

*Other - interstate, on-line and workplace delivery

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

Greater choice of training provider is evident in each of Victoria's regions, as the number of providers offering government funded training has increased since the implementation of training market reforms in 2008.

The number of TAFE providers has been flat across the majority of regions, while the number of ACE providers has declined slightly – although this aggregate decline does hide some variation across the regions.

Table 6.4: VET providers by region and provider type, government funded

Delivery Location - Region	Provider type	2008	2009	2010	2011	% change 2008-2011	% change 2010-2011
Barwon South West	ACE	29	26	26	27	-7%	4%
	PRIV	29	50	56	73	152%	30%
	TAFE	4	4	4	4	0%	0%
Barwon South West Total		**62**	**80**	**86**	**104**	**68%**	**21%**
Grampians	ACE	32	27	28	30	-6%	7%
	PRIV	23	29	32	52	126%	63%
	TAFE	2	2	1	1	-50%	0%
Grampians Total		**57**	**58**	**61**	**83**	**46%**	**36%**
Loddon Mallee	ACE	37	33	37	37	0%	0%
	PRIV	40	54	64	78	95%	22%
	TAFE	2	2	2	2	0%	0%
Loddon Mallee Total		**79**	**89**	**103**	**117**	**48%**	**14%**
Hume	ACE	41	38	38	33	-20%	-13%
	PRIV	31	30	45	61	97%	36%
	TAFE	2	2	2	2	0%	0%
Hume Total		**74**	**70**	**85**	**96**	**30%**	**13%**
Gippsland	ACE	41	35	32	32	-22%	0%
	PRIV	27	28	38	45	67%	18%
	TAFE	4	4	4	4	0%	0%
Gippsland Total		**72**	**67**	**74**	**81**	**13%**	**9%**
Eastern Metropolitan	ACE	45	45	44	45	0%	2%
	PRIV	50	66	87	111	122%	28%
	TAFE	4	3	3	3	-25%	0%
Eastern Metropolitan Total		**99**	**114**	**134**	**159**	**61%**	**19%**
Western Metropolitan	ACE	33	38	39	36	9%	-8%
	PRIV	72	103	176	243	238%	38%
	TAFE	7	7	5	8	14%	60%
Western Metropolitan Total		**112**	**148**	**220**	**287**	**156%**	**30%**
Southern Metropolitan	ACE	64	66	66	65	2%	-2%
	PRIV	62	86	118	142	129%	20%
	TAFE	4	4	4	5	25%	25%
Southern Metropolitan Total		**130**	**156**	**188**	**212**	**63%**	**13%**
Northern Metropolitan	ACE	46	44	43	43	-7%	0%
	PRIV	53	68	89	135	155%	52%
	TAFE	5	5	5	4	-20%	-20%
Northern Metropolitan Total		**104**	**117**	**137**	**182**	**75%**	**33%**
All regions	ACE	342	320	316	310	-9%	-2%
	PRIV	201	246	342	430	114%	26%
	TAFE	18	18	18	18	0%	0%
Total regions		**561**	**584**	**676**	**758**	**35%**	**12%**
Other	ACE						
	PRIV	3	1	3	4	33%	33%
	TAFE	7	6	6	6	-14%	0%
Total other		**10**	**7**	**9**	**10**	**0%**	**11%**
Total GF VET		**561**	**584**	**678**	**758**	**35%**	**12%**

Regional growth in government funded student contact hours has again been driven by private provider delivery. Student contact hours by private providers have almost doubled (in some cases more than doubled) in all regions except Gippsland when compared to 2010.

TAFE student contact hours have declined in the majority of regions over the same period, with only Barwon South West, reporting growth. ACE providers show the reverse, with student contact hours increasing in every region except Hume in 2011 compared to 2010.

Victoria's Non-Metropolitan Regions

Victoria's regions share the dual demographic challenges of an ageing population combined with uneven population growth. While the population in parts of regional Victoria – particularly in major regional centres – is forecast to increase, the population in many of Victoria's rural communities is expected to decline.

The ageing of the population is also more marked in many rural areas, exacerbated by youth migration to regional hubs or metropolitan areas in search of training, employment or lifestyle opportunities. These demographic changes have the potential to lead to skills and labour shortages as the working age population contracts.

With jobs growth anticipated for the majority of Victoria's regions, without population growth, an increase in workforce participation will be needed to meet demand. The training system has an important role to play in providing people in regional and rural communities with the skills and qualifications needed to boost participation in line with employment growth.

The structural changes to Victoria's economy highlighted earlier in this report are equally relevant in each of its regions. Manufacturing and Agriculture, key employers across Victoria's regions, are undergoing contraction and consolidation while service sectors are becoming more prominent – Health Care and Retail Trade in particular. Regional communities are identifying new opportunities in sectors such as Alternative Energy (particularly wind and solar power), Advanced Manufacturing, Tourism, and the development of services to support the ageing population.

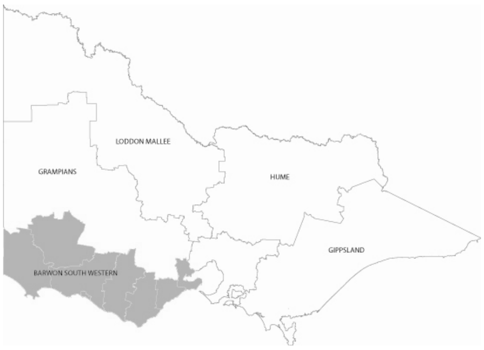
A key challenge for regional training systems will be to develop the skills of the local population to meet the future needs of employers as the labour market adjusts to regional changes in industry structure.

Students in regional Victoria now have more choice in where they study due to increasing numbers of providers delivering government funded training and, in the majority of regions; student participation in VET is increasing. This represents positive progress towards building the skills capacity of Victoria's regions into the future.

Barwon South West Region

The Barwon South West region extends across south western Victoria, stretching from the Queenscliff Heads in the east to the border of South Australia in the west.

The region includes the local government areas of Colac-Otway, Corangamite, Glenelg, Greater Geelong, Moyne, Queenscliffe, Southern Grampians, Surf Coast and Warrnambool. It is home to the City of Geelong, Victoria's largest regional centre.

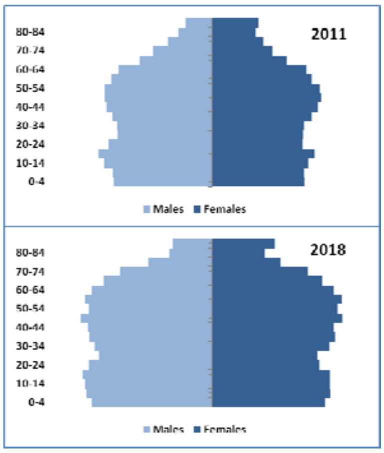


Population Profile[8]

The regional population was estimated at 402,300 in 2011, making up approximately 7 per cent of Victoria's total population.

- Population growth of 10 per cent forecast through to 2018, taking the population to around 443,100.
- It is anticipated that a majority of the region's future population growth (just over 70 per cent) will come from net migration to the region.
- In 2011, an estimated 16 per cent of the population were aged 65 and over – compared with 14 per cent for Victoria as a whole.
- Proportion aged 65 and over is projected to increase to 19 per cent in 2018 (compared with 16 per cent for Victoria).
- Disproportionate ageing of the region's rural population when compared with the overall regional demographic, highlighted in the *Barwon South West Regional Strategic Plan*, as young people leave in search of education and employment opportunities.
- Providing increased opportunities for young people, including training, employment and lifestyle, is critical to managing regional dependency ratios into the future.

Figure 6.1: Population forecast

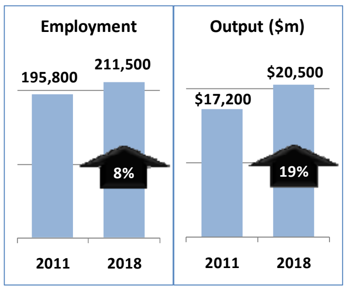


Economy

Barwon South West's economic output is estimated at $17.2 billion in 2011, making up around 6 per cent of Victoria's total economic output.

- Largest regional contributor outside of metropolitan Melbourne.
- Modest employment growth in recent years, with an estimated 15,700 extra jobs anticipated over the years to 2018 (largest growth in regional Victoria).
- Key output sectors include Manufacturing, Construction, Agriculture and Rental, Hiring and Real Estate Services.

Figure 6.2: Output forecast

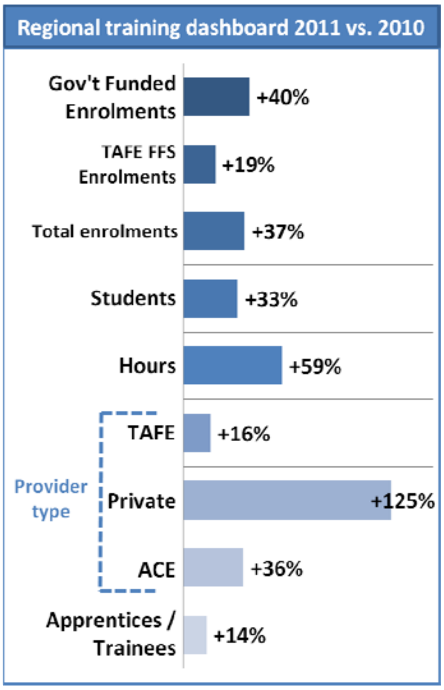


[8] Regional population data source: DPCD unpublished population projections

- Diverse Manufacturing sector, both light and heavy industry, but regional importance is declining as sector faces pressure from globalisation and emerging markets.
- Region is home to a number of carbon-intensive sectors (e.g. oil refining, aluminium and cement production) – therefore likely to be affected by the introduction of the carbon price.
- Opportunities to diversify the region's industry base identified in the region's *Strategic Plan* include Alternative Energy (wind, gas-fired power plants), Tourism and Education.
- Training system key to meeting the region's forecast additional employment and to enhance the productive capacity of regional industries – aligning training provision with future employment opportunities will be critical.

VET Training & the Market[9]

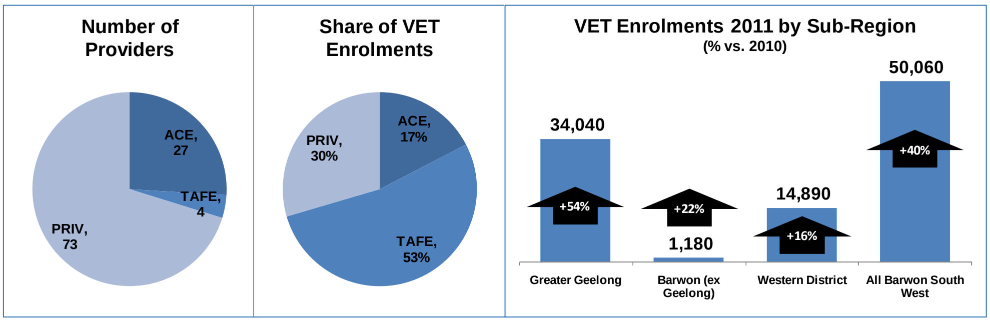
There were approximately 57,300 enrolments in vocational education and training courses in Barwon South West in 2011, of which 50,100 (87 per cent) were government funded.



- Largest VET region outside of metropolitan Melbourne.
- Strongest government funded enrolment growth in regional Victoria, up by 40 per cent (or 14,300 enrolments).
- Majority of enrolment growth (over 80 per cent) seen in the Greater Geelong LGA.
- Private RTOs accounted for over 50 per cent of the region's enrolment growth.
- TAFEs delivering in Barwon South West saw the strongest enrolment growth in Victoria – both GF and FFS.
- Enrolment growth with ACE providers was also the highest in the State (up by 2,300).
- Largest growth in student contact hours of any training market.
- 104 providers delivered GF training in 2011 – 18 more than in 2010. TAFE providers delivered the majority of government funded training in the region (53 per cent), followed by private providers (30 per cent).

[9] Training data represent government funded domestic enrolments and TAFE onshore domestic AQF1+ fee-for-service activity only. Figures refer to government funded activity (GF) unless otherwise stated.

Figure 6.3: VET market trends

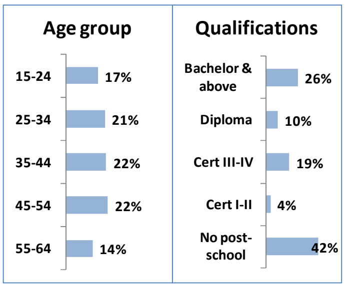


Responding to the Labour Market

Barwon South West's labour force averaged around 195,800 in 2011.

- Unemployment rate of 5.1 per cent, on par with the State average of 5.1 per cent.
- Participation rate of 62.6 per cent is below the State average of 65.8 per cent.
- An estimated 58 per cent of the workforce hold post-school qualifications, forecast to rise to 65 per cent by 2018.

Figure 6.4: Existing workforce



- Barwon South West's training providers will be key to helping the regional workforce meet this up-skilling requirement.

Industries

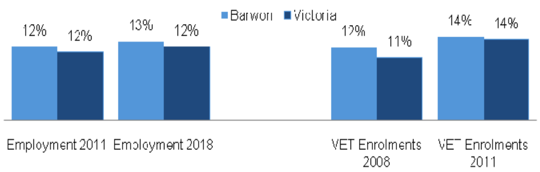
Health Care and Social Assistance is the region's largest employer, followed by Retail Trade and Manufacturing.

- Health Care has seen strong employment growth while Manufacturing has been in decline, in line with State-wide trends.
- Regional drop in Manufacturing employment has been less pronounced than elsewhere in Victoria, although regional employment in this sector is continuing to decline.
- Employment growth in Health Care is expected to continue. Education and Training and Professional, Scientific and Technical Services also anticipate strong growth over the next few years.

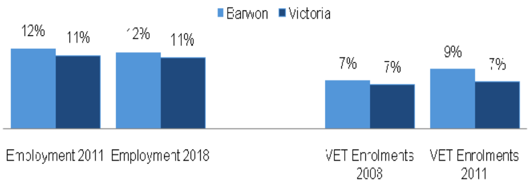
Two of Barwon South West's top 5 employing industries are also in the top 5 industries by student enrolments – Health Care and Construction.

- Health Care is the largest sector in terms of training delivery, followed by Transport, Postal and Warehousing.
- Majority of industries have seen an increase in enrolments since 2008. Courses relating to transport have seen the strongest growth – up by more than 4,000 enrolments, to 5,000 in 2011.
- Biggest fall-off in enrolments was in the Information, Media and Telecommunications sector, down by 100 (-33 per cent) to 200 in 2011.

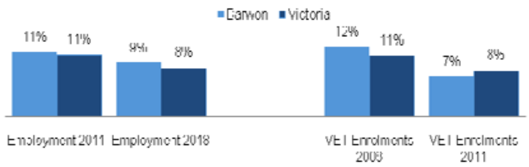
Table 6.7: Industry share of employment and VET

<table>
<tr><th>Top 5 Employing Industries</th><th>Industry Share
(per cent of All Industries in Barwon South West)</th><th>Comments</th></tr>
<tr><td>Health Care & Social Assistance</td><td>
</td><td>

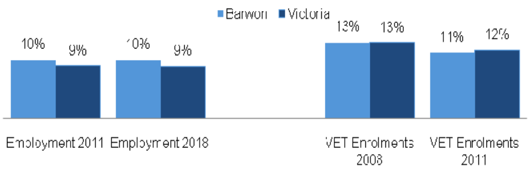
- Enrolments up by 3,000 since 2008 (+107 per cent), to 5,800.
- 2nd highest enrolment growth, after transport.
- Most enrolments – Cert III in Children's Services.

</td></tr>
<tr><td>Retail Trade</td><td>
</td><td>

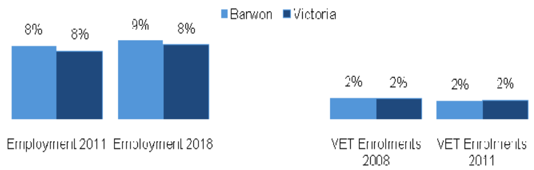
- 6th largest training sector (up from 7th in 2008), with 3,700 enrolments.
- Growth of over 2,000 since 2008.
- Most enrolments – Cert III in Community Pharmacy.

</td></tr>
<tr><td>Manufacturing</td><td>
</td><td>

- Declining share of training market – 8th largest sector, down from 4th in 2008.
- Enrolments are flat, up by 100 on 2008 (+2 per cent), to 2,800.

</td></tr>
<tr><td>Construction</td><td>
</td><td>

- 3rd largest training sector.
- Enrolments up by 1,700 since 2008 (+57 per cent), to 4,600.
- Most enrolments – Cert III in Civil Construction Plant Operations.

</td></tr>
<tr><td>Education & Training</td><td>
</td><td>

- Small training market sector – low levels of VET intensity (largely HE qualifications).
- Enrolments up by 300 (+57 per cent) since 2008, to 900.

</td></tr>
</table>

Occupations

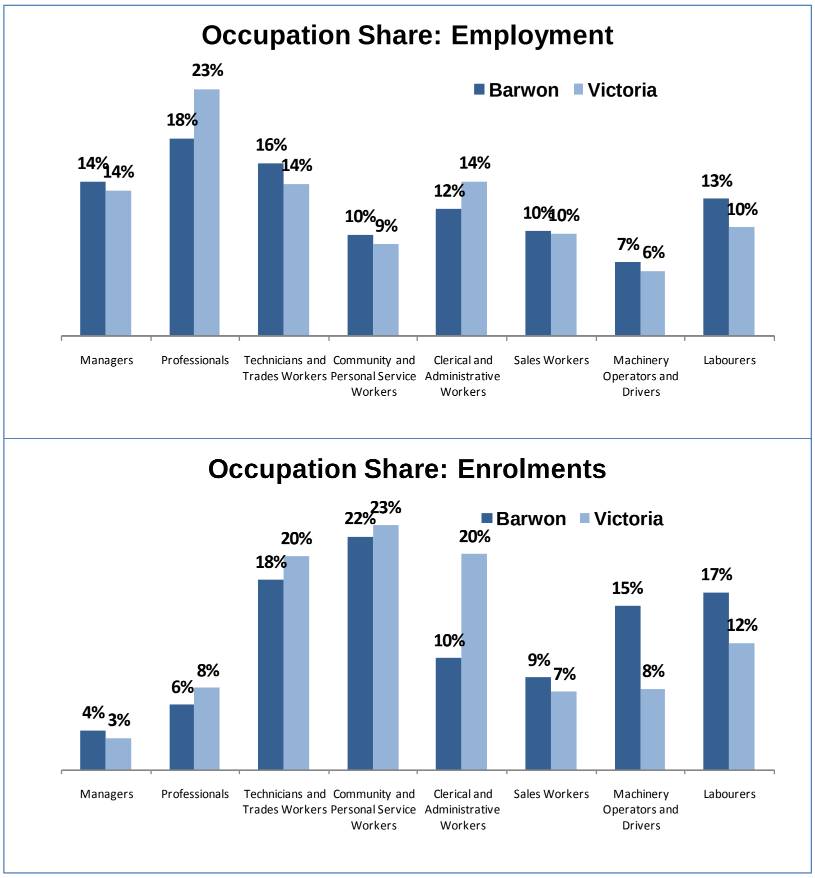
Common to most Victorian regions, Barwon South West's largest occupation of employment is professionals. In comparison with Victoria, the region has:

- A higher proportion of blue collar occupations. This is driven in part by the region's key industries – Manufacturing, Construction, and Agriculture.

When comparing occupational-specific enrolments to the average across Victoria, Barwon South West has:

- Higher proportion of enrolments linked to managers, sales workers, machinery operators and labourers.
- Lower proportion of enrolments in courses relating to professionals and clerical workers – in line with their share of regional employment.
- Share of enrolments in courses related to community and personal services workers and technicians and trades is below the Victorian average – despite having an above average share of regional employment.
- These skills feed into Barwon South West's key employing industries of Health Care and Social Assistance, Manufacturing and Construction – the region's training system needs to ensure a strong pipeline of appropriately skilled workers to support workforce requirements.

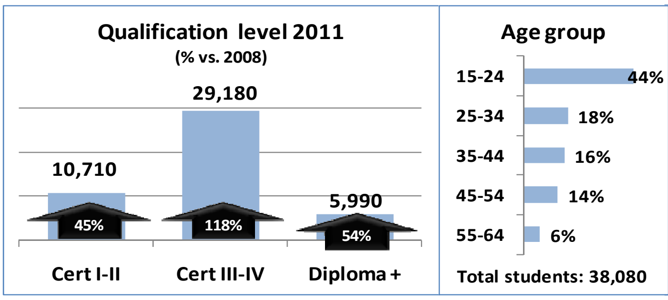
Figure 6.5: Occupation share



Qualifications

Barwon South West's strong enrolment growth in higher level qualifications, particularly at Cert III-IV level, indicates the region is well positioned to meet the anticipated requirement for a more highly skilled workforce in the years ahead.

Figure 6.6: Government funded training

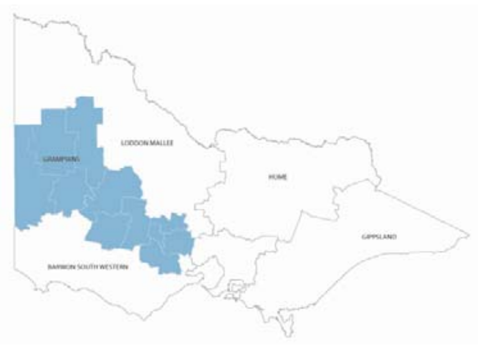


Top qualifications	2011
Certificate II in General Education for Adults	2,390
Certificate III in Agriculture	1,590
Certificate III in Community Pharmacy	1,540
Certificate III in Transport & Logistics (Road Transport)	1,410
Certificate III in Hospitality	1,390
These 5 courses accounted for 17% of all government funded training in the region	

Grampians Region

The Grampians region covers the area from Bacchus Marsh in the east to the South Australian border in the west, and from Patchewollock in the north to Lake Bolac in the south.

The region includes the local government areas of Ararat, Ballarat, Golden Plains, Hepburn, Hindmarsh, Horsham, Moorabool, Northern Grampians, Pyrenees, West Wimmera and Yarriambiack. The major regional centre of Ballarat, Victoria's third most populous city, is located in Grampians.

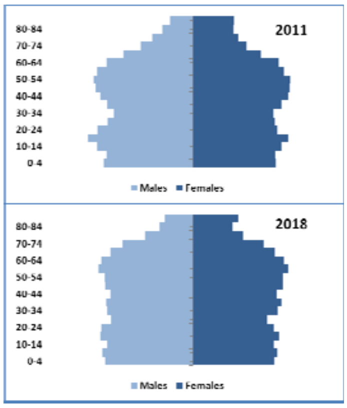


Population Profile

Population estimated at 212,300 in 2011, making up approximately 4 per cent of Victoria's total population.

- Forecast population growth of 9 per cent for the 7 years to 2018, taking the population to around 230,900.
- Population growth concentrated in the region's east, with a majority of growth (around 72 per cent) expected to come from net migration to the region. Parts of the region (Melbourne fringe, Ballarat) are projected to experience significant growth, while other areas will contract.
- Approximately 17 per cent of the population aged 65 and over in 2011 (Victorian average of 14 per cent).
- Expected to increase to 20 per cent by 2018 - the second highest proportion aged 65 and over across Victoria's regions.
- This changing demographic will create challenges for Health Care, aged care and related services. The region's training system will need to respond to an increased demand for relevant skills.

Figure 6.7: Population forecast

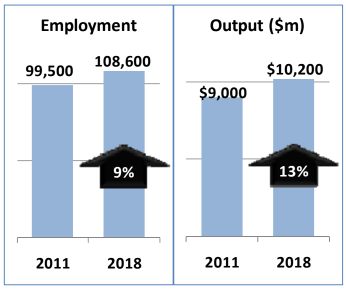


Economy

The economic output of the Grampians region is estimated at $9.0 billion in 2011, around 3 per cent of Victoria's total output.

- Smallest regional contributor to State output.
- Modest employment growth in recent years, with an estimated 7,100 extra jobs anticipated through to 2018.
- Key output industries include Manufacturing, Agriculture, Construction and Health Care and Social Assistance.
- Manufacturing still dominates the regional economy, despite pressure from international competition and the strong Australian dollar. Business confidence is guarded – leading to some caution in employment and investment intentions.

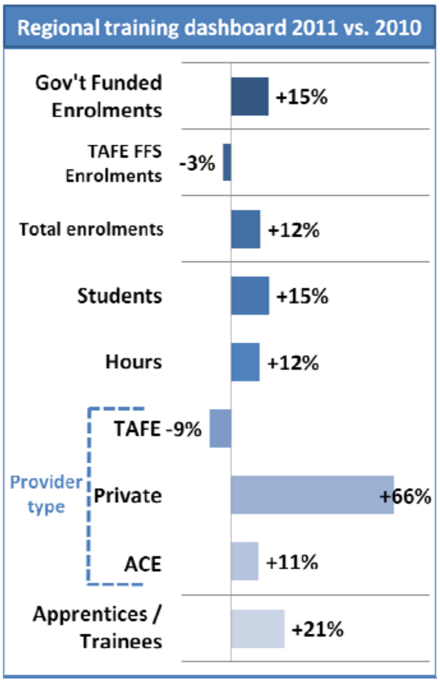
Figure 6.8: Output forecast



- Primary production – Agriculture and Mining (gold and mineral sands) – key in the region's west. The Wimmera Southern Mallee area has been identified as particularly exposed to the effects of climate change because of its relatively undiversified economy.
- The *Central Highlands* and *Wimmera Southern Mallee Regional Plans* highlight a need to focus on industry diversification as the region restructures its economy. Growth opportunities have been identified in tourism, renewable energy generation and sustainable primary production. Ballarat has a focus on developing its research and innovation capacity, building on its status as an employment cluster in IT and computing.
- The education and training system will play a central role in developing the skilled employees needed to support the region's goals of growth and diversification.

VET Training & the Market[10]

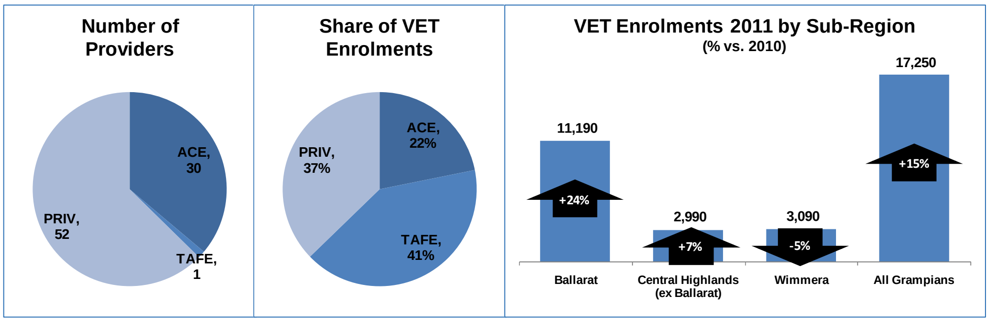
Grampians' VET market saw around 20,200 enrolments in 2011, of which 17,200 (85 per cent) were government funded.



- Smallest regional training market in Victoria, making up 3 per cent total enrolments – in line with share of economic output.
- GF enrolments up by 2,200 (15 per cent) in 2011.
- Ballarat is the largest contributor to enrolment growth (over 95 per cent of total growth).
- Majority of enrolment growth in 2011 came from private RTOs (up by 2,500).
- TAFEs accounted for 41 per cent of enrolments in 2011, down from 52 per cent in 2010.
- 83 training providers delivered government funded training in 2011, 22 more than in 2010 – the largest increase in provider numbers outside metropolitan Melbourne.
- Provider share of the government funded training market is fairly evenly split between TAFE institutes and private providers, accounting for 41 per cent and 37 per cent of enrolments respectively. At 22 per cent, ACE providers in Grampians have a larger share of the government funded training market than elsewhere in Victoria.

[10] Training data represent government funded domestic enrolments and TAFE onshore domestic AQF1+ fee-for-service activity only. Figures refer to government funded activity (GF) unless otherwise stated.

Figure 6.9: VET market trends

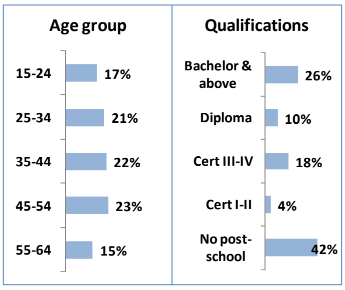


Responding to the Labour Market

The Grampians' labour force averaged around 99,500 in 2011.

- Unemployment rate of 5.7 per cent, among the highest in regional Victoria.
- Participation rate of 63.2 per cent is below the State average of 65.8 per cent.
- An estimated 42 per cent of the workforce have no post-school qualifications – forecast to fall to 35 per cent by 2018 as the regional workforce increases its skill levels.

Figure 6.10: Existing workforce



Industries

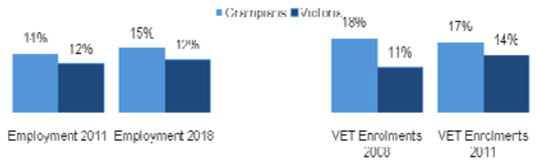
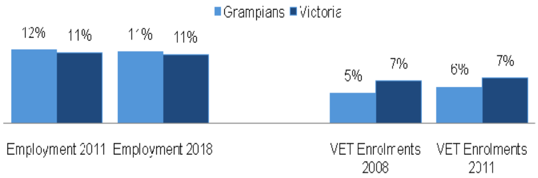
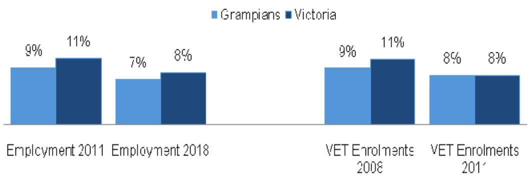
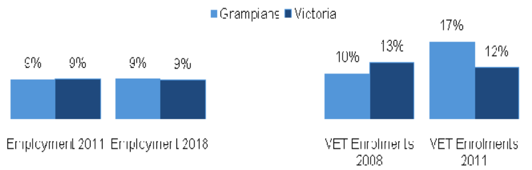
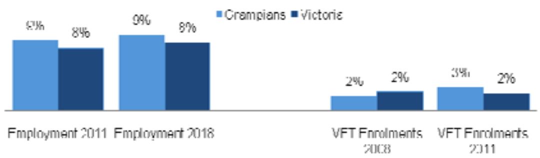
Health Care and Social Assistance is the region's largest employer, followed by Retail Trade and Manufacturing.

- In line with broader trends across the State, the Health Care sector has seen strong employment growth.
- Employment in Agriculture and Manufacturing has fallen in recent years, a trend which is expected to continue.
- Health Care employment is forecast to continue to grow over the next few years, while Education and Training and Construction are also expected to see strong growth.

Three of Grampians' top employing 5 industries are also top 5 sectors in terms of VET course enrolments – Health Care, Manufacturing and Construction.

- Construction is the region's largest training sector, followed by Health Care and Transport, Postal and Warehousing.
- Construction has also seen the strongest growth in training delivery since 2008, with course enrolments up by around 1,300 – growth in enrolments is in line with employment trends in this sector.
- Transport-related courses have also seen strong growth, with enrolments up by 1,100, to 1,300.
- Lowest enrolment growth in courses relating to Administrative and Support Services, down by 200 since 2008, to 1,000.

Table 6.8: Industry share of employment and VET

<table>
<tr><th>Top 5 Employing Industries</th><th>Industry Share
(per cent of All Industries in Grampians)</th><th>Comments</th></tr>
<tr><td>
Health Care & Social Assistance</td><td>
</td><td>• 2,200 enrolments in 2011, an increase of 500 (31 per cent) from 2008.
• Slight fall in share of enrolments, contrary to employment trends.
• Key course – Diploma of Nursing.</td></tr>
<tr><td>
Retail Trade</td><td>
</td><td>• 8th largest training market sector, up from 9th in 2008.
• Enrolments grown by 300 (66 per cent) since 2008 – now at 800.
• Key course – Cert II in Retail (400 enrolments).</td></tr>
<tr><td>
Manufacturing</td><td>
</td><td>• Share of training market decreasing, in line with employment trends.
• 5th largest sector, with 1,000 enrolments.
• Growth of 22 per cent (200 enrolments) from 2008.</td></tr>
<tr><td>
Construction</td><td>
</td><td>• Strong growth, with enrolments more than doubling since 2008 (up by 1,300, to 2,300).
• Key course – Cert III in Civil Construction Plant Operations.</td></tr>
<tr><td>
Education & Training</td><td>
</td><td>• Low levels of VET training intensity – largely HE qualifications.
• Enrolments up by 200 since 2008, to 400.</td></tr>
</table>

Occupations

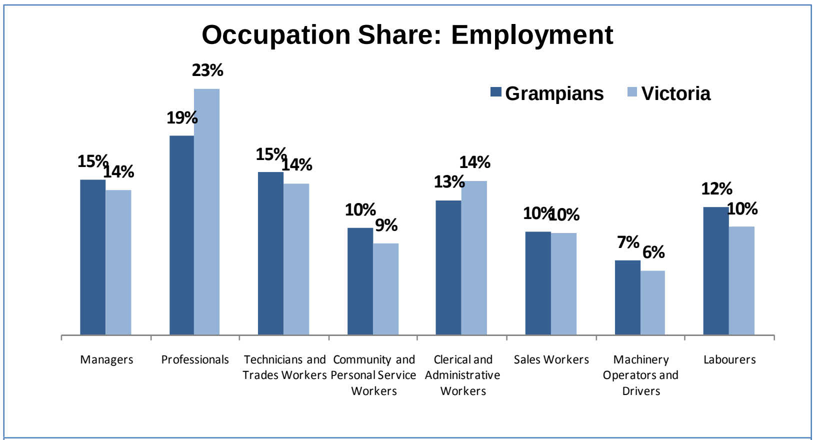
The Grampians' largest occupation of employment is professionals.

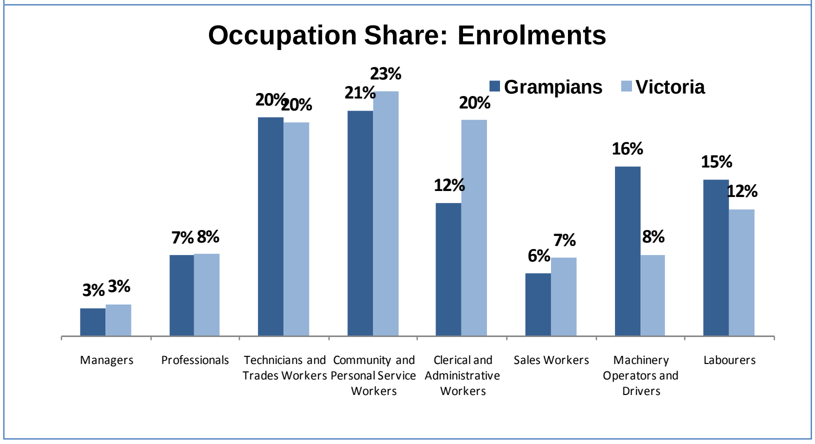
- The region has a higher proportion of blue-collar and community and personal service workers than the Victorian average.
- Driven in part by the region's key industries of Health Care, Manufacturing and Construction.

Compared to the occupational breakdown of enrolments across Victoria:

- Grampians has a higher proportion of enrolments in courses linked to blue-collar occupations – in line with employment trends.
- Lower proportion of enrolments in courses related to community and personal service workers and sales workers, despite above average representation of these occupations in the labour market.
- These skills are key for the region's largest employers – Health Care and Retail Trade. The region's training system has a key role to play in supplying the current and future skills requirements of these industries and therefore needs to be able to respond to industry demand.

Figure 6.11: Occupation share



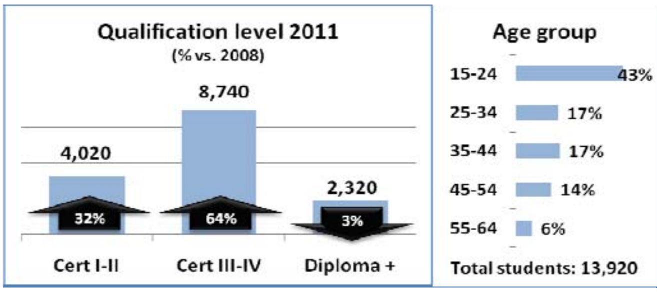


Qualifications

Grampians' has seen positive enrolment growth in courses at Cert I-IV level, which will go some way to supporting the anticipated increase in demand for higher skilled employees in the region.

However, this growth has not been observed at the Diploma and above level, with a 3 per cent decline in enrolments (down by 100) since 2008 – the only region in Victoria to see a drop in enrolments at this level. The absence of growth at the Diploma and above level raises some concern as to the ability of the training system to meet the anticipated increase in the regional requirement for higher-skilled employees.

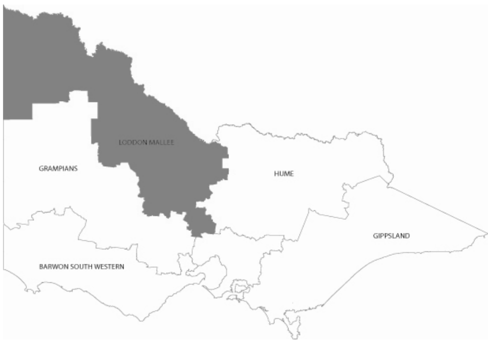
Figure 6.12: Government funded training



Top qualifications	2011
Certificate II in General Education for Adults	590
Certificate III in Civil Construction Plant Operations	580
Certificate III in General Education for Adults	530
Certificate III in Transport and Logistics (Road Transport)	420
Certificate II in Retail	410
These 5 courses accounted for 15% of all government funded training in the region	

Loddon Mallee Region

The Loddon Mallee region extends from central Victoria up to the Murray River and across to the north-west of the State, occupying more than a quarter of the area of Victoria.



The region includes the local government areas of Buloke, Campaspe, Central Goldfields, Gannawarra, Greater Bendigo, Loddon, Macedon Ranges, Mildura, Mount Alexander and Swan Hill.

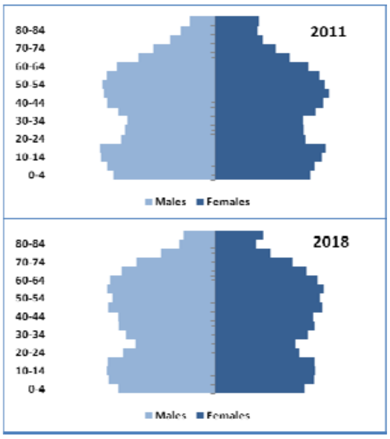
Loddon Mallee is home to the provincial centre of Bendigo, and the regional towns of Castlemaine, Kyneton and Maryborough.

Population Profile

Loddon Mallee's population was estimated at 285,300 in 2011 – approximately 5 per cent of Victoria's total population.

- Growth of 8 per cent forecast for the 7 years to 2018, taking the population to an estimated 307,500.
- Majority of growth (approximately 68 per cent) forecast to come from net migration to the region and is expected to be concentrated in regional centres.
- An estimated 16 per cent of the population aged 65 and over – compared with 14 per cent across Victoria – projected to increase to 19 per cent by 2018.
- Population ageing expected to be uneven.
- Developing genuine opportunities for people to work and study locally will be needed to manage regional dependency ratios going forwards.

Figure 6.13: Population forecast

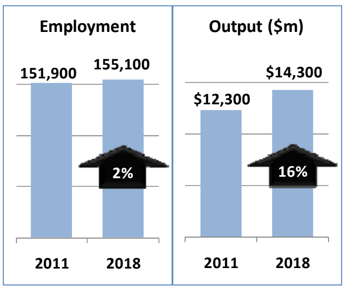


Economy

Loddon Mallee's economic output was approximately $12.3 billion in 2011, around 5 per cent of Victoria's total.

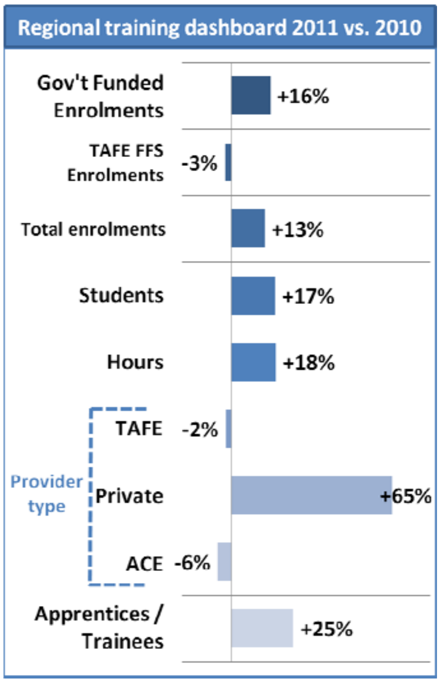
- Strong employment growth of over 20,000 jobs between 2007 and 2011, with an estimated 3,200 extra jobs anticipated through to 2018.
- Key sectors in terms of output include Manufacturing, finance and insurance, Construction and Agriculture.
- Population growth driving economic development and employment growth in the services sectors in southern Loddon Mallee.
- The region's north retains a reliance on Agriculture – projected to continue, although the *Loddon Mallee Regional Strategic Plan* flags economic diversification as a priority.

Figure 6.14: Output forecast



- Growth opportunities identified for Loddon Mallee include the development of renewable energy sources (particularly solar), mineral sands and tourism.
- The training system will have a key role to play in supplying the skills required to support economic development and diversification; the regional *Strategic Plans* have flagged the need for increased participation in post-school education and strengthened links between education providers and industry as key enablers.

VET Training & the Market[11]

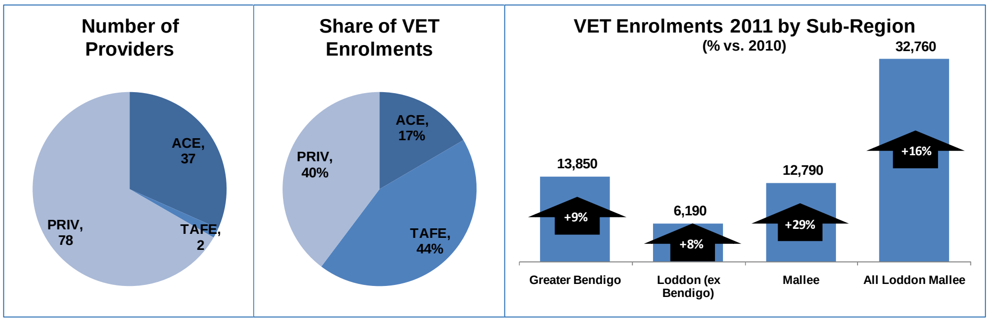


There were around 36,700 enrolments in VET courses in Loddon Mallee in 2011, of which 32,800 (89 per cent) were government funded.

- The region accounts for 6 per cent of Victorian VET – slightly above its share of population and output.
- Second highest GF enrolment growth outside metropolitan Melbourne, with enrolments up by 4,400 (16 per cent).
- Majority of growth shared between Mildura, Swan Hill and Greater Bendigo LGAs.
- Private RTO enrolments increased by more than 5,000 – compared with slight declines at TAFE and ACE providers.
- 2011 apprentice and trainee enrolment growth was the highest outside of metropolitan Melbourne.
- 117 training providers delivering government funded training, 14 more than 2010.
- TAFE providers have a 44 per cent share of government funded training in the region. Market share of private providers is 40 per cent, while ACE providers account for 17 per cent of regional enrolments.
- 52 per cent of Loddon Mallee's VET student population are aged 15-24, the highest proportion of young students in any of Victoria's training market regions.

[11] Training data represent government funded domestic enrolments and TAFE onshore domestic AQF1+ fee-for-service activity only. Figures refer to government funded activity (GF) unless otherwise stated.

Figure 6.15: VET market trends

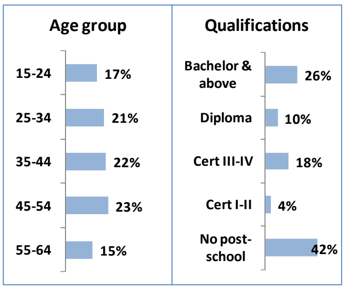


Responding to the Labour Market

Loddon Mallee's labour force averaged around 151,900 in 2011.

- Unemployment rate of 4.8 per cent, below the State average of 5.1 per cent.
- Participation rate of 64.5 per cent (Victorian average of 65.8 per cent).
- Proportion of the workforce requiring post-school qualifications forecast to rise from 58 per cent to 64 per cent by 2018.

Figure 6.16: Existing workforce



Industries

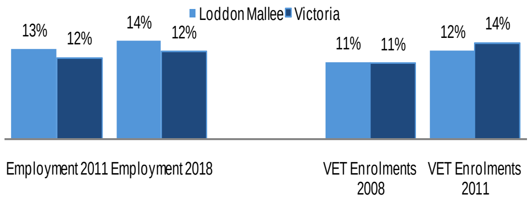
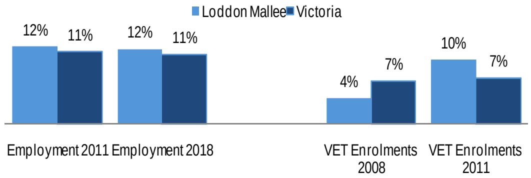
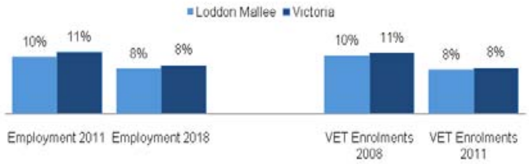
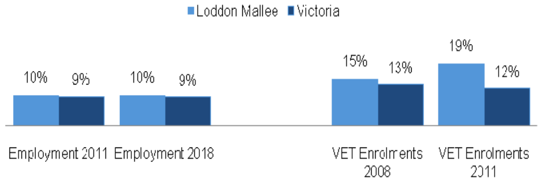
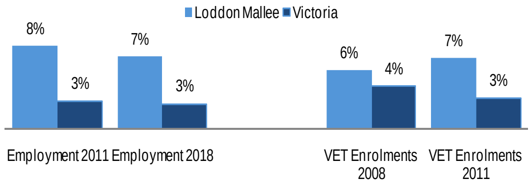
Health Care and Social Assistance is the region's largest employer, followed by Retail Trade and Manufacturing.

- Health Care, Construction and Retail Trade have all seen strong employment growth in recent years.
- Looking forwards, Health Care is expected to continue to show strong employment growth over the next few years, along with Education and Training and Wholesale Trade.

Three of Loddon Mallee's top 5 employing industries – Health Care and Social Assistance, Construction and Retail Trade – are also in the top 5 sectors for student enrolments.

- Construction is the largest training market sector, followed by Health Care and Social Assistance and Retail Trade.
- These 3 sectors have also seen the highest growth in enrolments since 2008.
- Lowest enrolment growth in Accommodation and Food Services, down by 400 enrolments (16 per cent) between 2008 and 2011, to 2,100 – of potential concern given the growing importance of the region's tourism sector.

Table 6.9: Industry share of employment and VET

Top 5 Employing Industries	Industry Share (per cent of All Industries in Loddon Mallee)	Comments
Health Care & Social Assistance		• 3,300 enrolments in 2011, up by 1,300 (68 per cent) since 2008. • Share of enrolments is growing, in line with employment trends. • Key course – Cert III in Children's Services.
Retail Trade		• 3rd largest training sector, up from 11th in 2008. • 2,600 enrolments, up by 1,900 (>250 per cent). • Key course – Cert II in Retail.
Manufacturing		• Modest enrolment growth between 2008 and 2011, up by 200 to 2,000. • 6th largest training market sector, down from 5th in 2008.
Construction		• Enrolments almost doubled since 2008, up by 2,500 to 5,100. • Key course – Cert III in Carpentry (1,000 enrolments).
Agriculture, Forestry & Fishing		• 1,900 enrolments in 2011, up from 1,100 in 2008. • Share of enrolments is growing, in contrast to Agriculture's share of the labour market.

Occupations

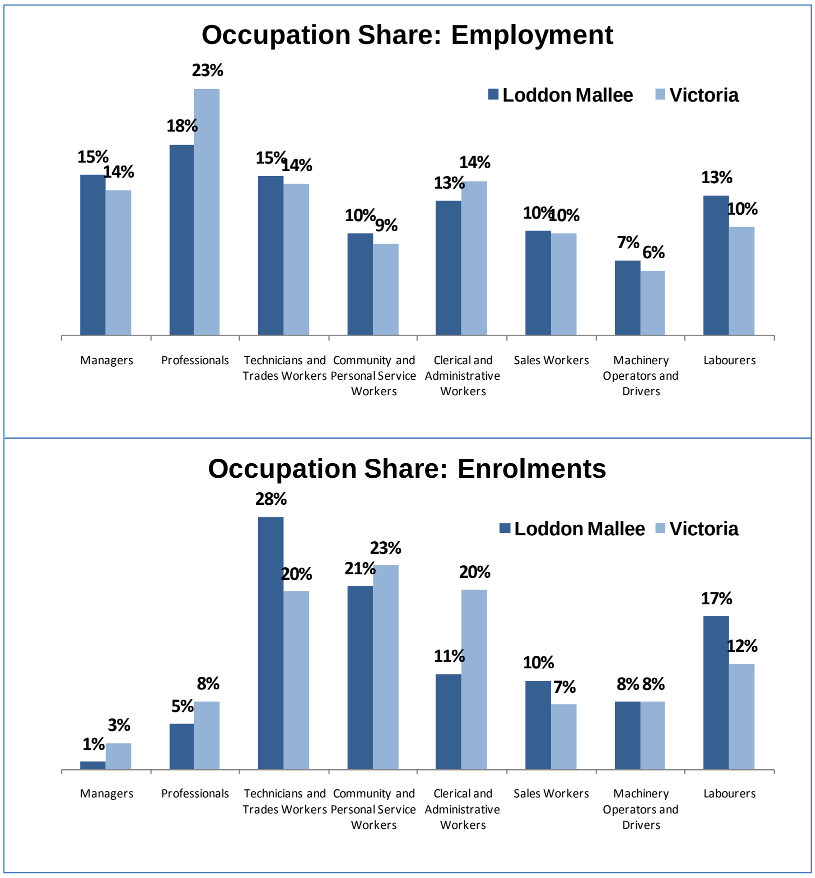
Echoing trends across Victoria, Loddon Mallee's largest occupation of employment is professionals. When compared with Victoria, the region has:

- Higher proportion of blue-collar workers, managers and community and personal services workers. This is influenced by the region's key employing industries – Health Care, Manufacturing, Construction and Agriculture.
- Below average proportion of professionals.

When comparing the proportion of occupational enrolments in the regional training system to the State average, Loddon Mallee has:

- Below average share of enrolments linked to community and personal services workers and managers – despite making up a higher proportion of the regional workforce.
- Of potential concern for the future supply of community and personal services workers, given strong employment forecasts in the Health Care and Social Assistance sector.

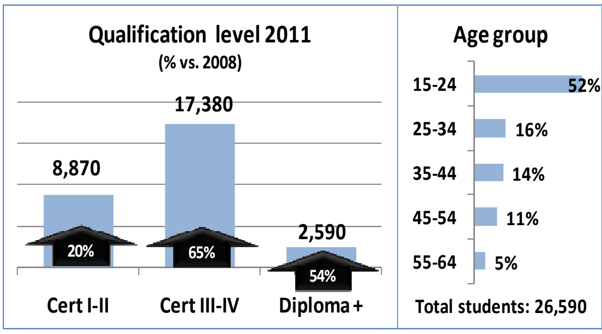
Figure 6.17: Occupation share



Qualifications

Loddon Mallee's strong enrolment growth in higher level qualifications (the second highest in regional Victoria), combined with a high proportion of young students aged 15-25, indicates the training system is providing a strong pipeline of skilled workers to meet the forecast requirement for a more highly skilled workforce in the region.

Figure 6.18: Government funded training



Top qualifications	2011
Certificate II in Retail	1,350
Certificate I in Vocational Preparation	1,230
Certificate III in Carpentry	1,020
Certificate III in Retail	770
Certificate II in Hospitality	710

These 5 courses accounted for 16% of all government funded training in the region

Hume Region

The Hume region extends across north eastern Victoria. The region includes the local government areas of Alpine, Benalla, Greater Shepparton, Indigo, Mansfield, Mitchell, Moira, Murrindindi, Strathbogie, Towong, Wangaratta and Wodonga.

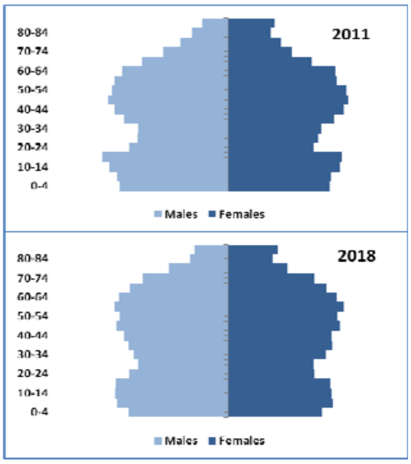
It is a diverse region, encompassing Victoria's alpine areas, farming communities and the major regional centres of Shepparton, Wangaratta and Wodonga.

Population Profile

Hume's population was estimated at 317,300 in 2011, making up approximately 6 per cent of Victoria's total population.

- Population growth of 10 per cent is forecast for the 7 years to 2018, taking the population to around 350,500.
- Approximately 68 per cent of this growth is expected to come from migration to the region.
- An estimated 16 per cent of Hume's population is aged 65 and over, compared with 14 per cent for Victoria as a whole.
- This proportion is projected to increase to 19 per cent in 2018, compared with 16 per cent for the total Victorian population.

Figure 6.19: Population forecast



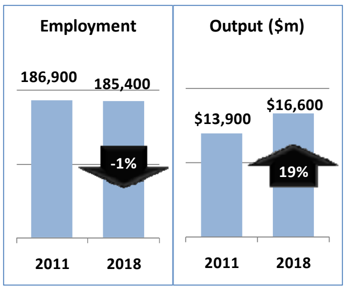
- The *Hume Strategy for Sustainable Communities* recognises the need to expand local opportunities in education, employment and lifestyle in order to combat the challenges and youth migration from rural areas.

Economy

Hume's economic output is estimated at $13.9 billion in 2011, contributing around 5 per cent to total State output.

- Moderate employment growth in recent years, although the workforce forecast is to contract slightly through to 2018, down by around 1,500 jobs.
- Key sectors in terms of output include Manufacturing, Agriculture, Construction and Rental, Hiring and Real Estate Services. Health Care, tourism and logistics are also of regional importance.

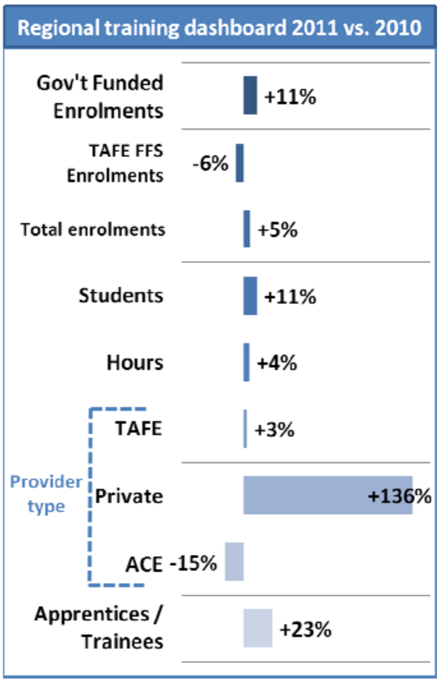
Figure 6.20: Output forecast



- Echoing State-wide trends, the region's manufacturing and agricultural sectors have been experiencing challenges due to global economic conditions, industry restructuring and fluctuating commodity prices.
- The *Hume Strategy* flags workforce skill development as a priority for the region to support agribusiness development, tourism and industry diversification and to address regional skills and workforce shortages within the region. The regional training system will be a key enabler in this goal.

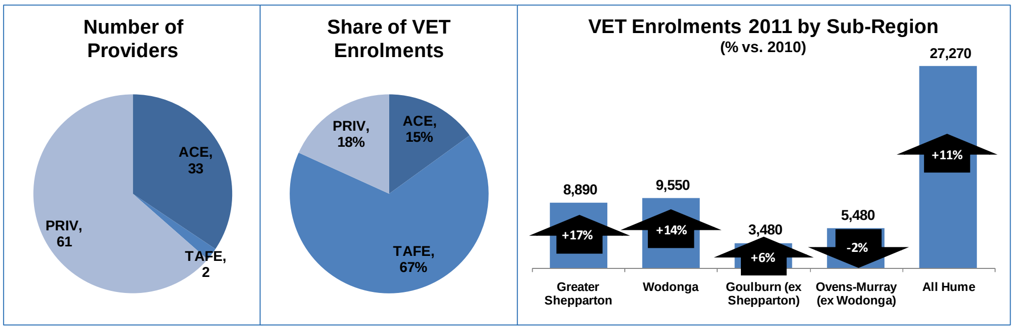
VET Training & the Market[12]

Hume saw approximately 38,700 VET course enrolments in 2011, of which 27,300 (70 per cent) were government funded.



- Hume makes up 5 per cent of the government funded VET market.
- GF enrolment growth of 2,600 in 2011, the second lowest rate of change in Victoria's regions
- Majority of enrolment growth split between Greater Shepparton and Wodonga LGAs.
- At 3 per cent, TAFE enrolment growth was above the State average of 0 per cent.
- Enrolments at ACE providers fell by around 700 in 2011, while ACE provider numbers fell by 5.
- 96 training providers delivered government funded training in 2011, an increase of 11 on 2010.
- TAFE providers deliver the majority of government funded training in the region (67 per cent). Private and ACE providers accounted for 18 per cent and 15 per cent respectively.
- The region has the lowest proportion of students aged 15-24 years in Victoria (64 per cent), combined with the highest proportion of students aged 55-64 (8 per cent).

Figure 6.21: VET market trends



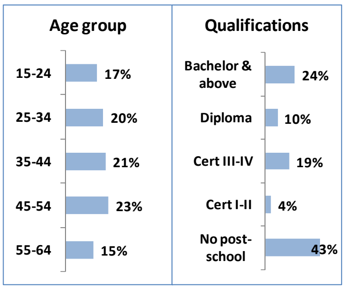
[12] Training data represent government funded domestic enrolments and TAFE onshore domestic AQF1+ fee-for-service activity only. Figures refer to government funded activity (GF) unless otherwise stated.

Responding to the Labour Market

Hume's labour force averaged 186,900 over 2011.

- At 5.7 per cent, the unemployment rate is among the highest in regional Victoria.
- Hume's participation of 60.8 per cent rate is the lowest among Victoria's regions.
- Hume has the highest proportion of workers with no post-school qualifications, 43 per cent of the workforce compared to an average of 39 per cent for the State.

Figure 6.22: Existing workforce



- This proportion is forecast to fall to 37 per cent by 2018, in line with up-skilling trends across Victoria.
- Given relatively low levels of workforce participation, there is a clear opportunity for the VET system to increase participation by enabling people to upgrade their skills to meet the needs of the labour market.

Industries

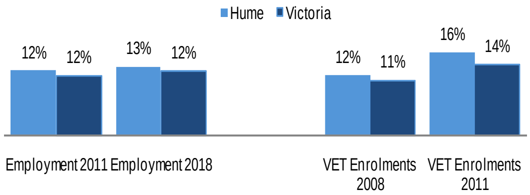
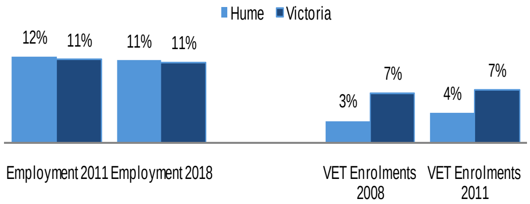
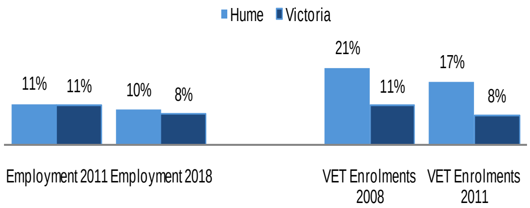
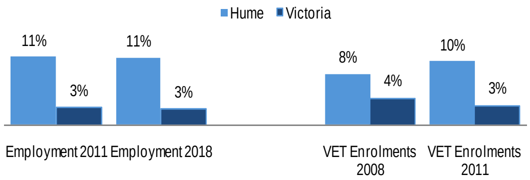
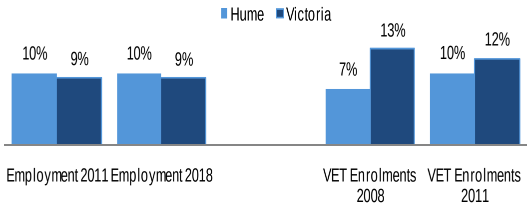
Health Care and Social Assistance is the region's largest employer, followed by Retail Trade and Manufacturing.

- Health Care and Construction have been the biggest contributors to regional employment growth in recent years.
- Health Care is expected to continue its recent growth trend, while jobs growth is also expected in the Education and Training and Wholesale Trade industries.
- Employment in a number of sectors is forecast to contract slightly over the next few years, including Manufacturing and Retail Trade.

Four of the region's top 5 employing industries are also in the top 5 for student enrolments – Health Care, Manufacturing, Agriculture and Construction.

- Manufacturing is the region's largest sector in terms of enrolments, followed by Health Care and Agriculture.
- Health Care has seen the biggest growth in enrolments since 2008, followed by Transport, Postal and Warehousing (now the region's 5th largest training market sector). The strong growth in transport enrolments reflects the importance of transport and logistics in the regional economy.
- Accommodation and food services has seen lowest enrolment growth, down 38 per cent (900 enrolments), to 1,500 in 2011.

Table 6.10: Industry share of employment and VET

Top 5 Employing Industries	Industry Share (per cent of All Industries in Hume)	Comments
Health Care & Social Assistance		• 3,600 enrolments in 2011, up by 1,300 (60 per cent) since 2008. • Growing share of the regional training market, in line with employment.
Retail Trade		• Small training market sector – despite Retail's importance as a regional employer. • Enrolments have increased slightly since 2008, up by 300 to 900.
Manufacturing		• The region's largest training market sector, although its share of the market is falling. • 3,900 enrolments in 2011, 200 less than in 2008 (down 5 per cent).
Agriculture, Forestry & Fishing		• 2,200 enrolments in 2011, 700 more than in 2008 (+43 per cent). • Key courses – Cert II & III in Agriculture.
Construction		• 4th largest VET market sector, with 2,200 enrolments in 2011. • Enrolments up by 50 per cent (700) since 2008. • Key course – Cert II in Construction.

Occupations

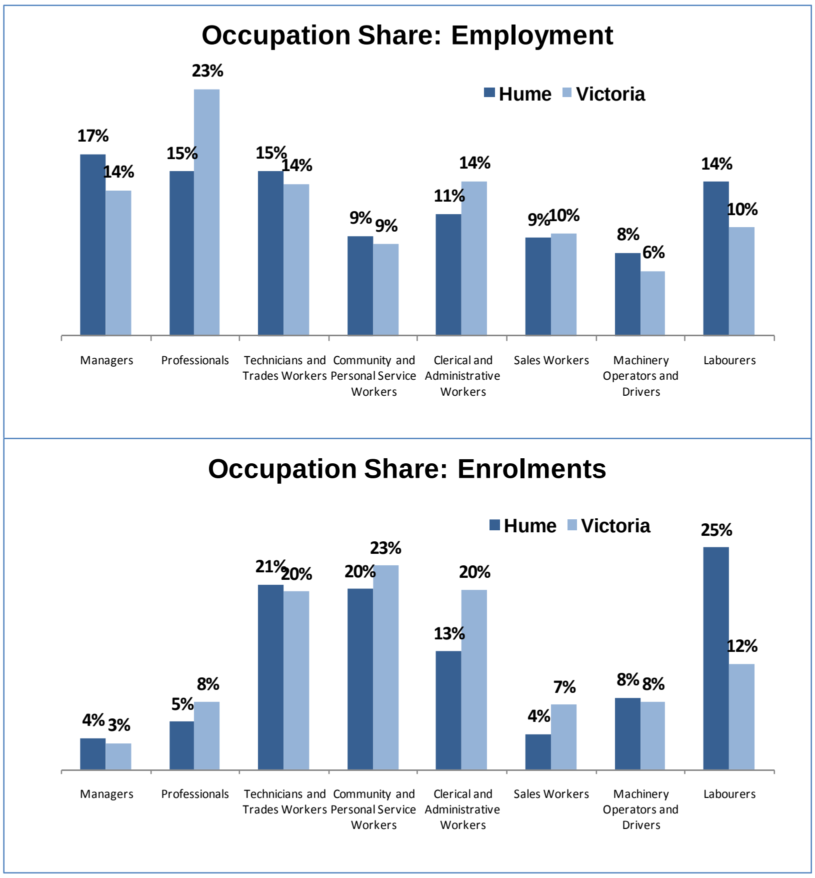
Managers are the largest occupational group in Hume. When compared with the employment profile of Victoria, the region has:

- A much higher proportion of labourers, managers and machinery operators and drivers.
- Driven in part by the region's strength in Manufacturing, Agriculture and Construction (farmers and farm managers make up a major proportion of managerial employment in the region).
- Professionals and clerical workers are comparatively under-represented in the regional workforce.

When comparing occupational course enrolments with the average across Victoria:

- Proportion of enrolments relating to labourers and managers is higher than the State average, in line with the region's employment profile.
- Course enrolments linked to professionals and clerical workers are proportionally lower in Hume – again, in line with their employment profile in Hume.
- Proportion of enrolments in community and personal services workers is below the average for the State – of potential concern for the regional training system given the strong employment growth forecast for qualified employees in the Health Care and Social Assistance sector.

Figure 6.23: Occupation share

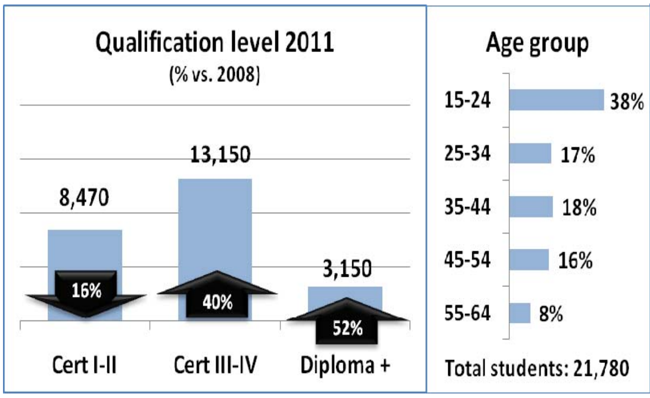


Qualifications

The relatively low rate of enrolment growth in Hume may be a concern given the forecast up-skilling requirement of the local workforce.

The slightly older age profile of VET students in the Hume region may also represent a challenge for the training system in providing a pipeline of skilled employees to the labour market.

Figure 6.24: Government funded training



Top qualifications	2011
Certificate I in Food Processing	1,023
Certificate I in General Education for Adults	1,022
Certificate IV in Transport & Logistics (Warehousing & Storage)	939
Certificate II in Food Processing	650
Diploma of Nursing (Enrolled/Division 2 nursing)	614
These 5 courses accounted for 16% of all government funded training in the region	

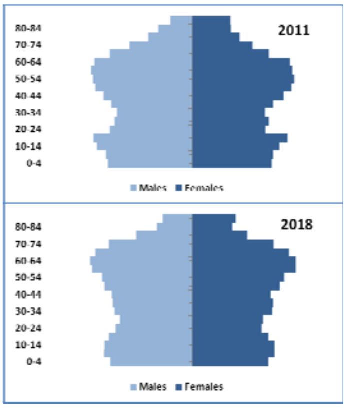
Gippsland Region

Gippsland covers the south eastern section of Victoria, the area immediately to the east of Melbourne through to the New South Wales border, between the Great Dividing Range to the north and the Bass Strait to the south.

The region includes the local government areas of Bass Coast, Baw Baw, East Gippsland, La Trobe, South Gippsland and Wellington. The region's provincial centre is the Latrobe Valley with its main towns of Traralgon, Morwell, Moe-Newborough and Churchill.

Population Profile

Figure 6.25: Population forecast

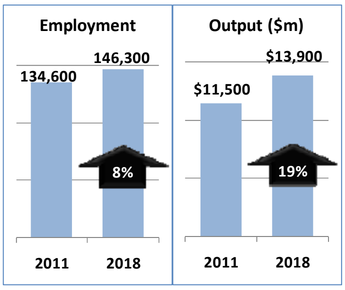


Gippsland's population was estimated at 270,100 in 2011 – approximately 5 per cent of Victoria's population.

- Population growth of 9 per cent forecast for the 7 years to 2018, taking the regional population to around 294,500.
- An estimated 80 per cent of this growth is expected to come from net migration to the region.
- Approximately 18 per cent of the population is aged 65 and over, well above the Victorian average (14 per cent) - projected to increase to 22 per cent in 2018, the highest proportion of this age cohort in Victoria.
- Gippsland's ageing demographic is likely to generate increased demand for qualified employees in the Health and Aged Care sectors, a potential opportunity for the region's training system.
- Youth migration out of the region is a contributing factor to the ageing demographic, with implications for the region's workforce and economy. Providing genuine training and employment opportunities to encourage younger people to settle in the region will be key to ensuring a pipeline of employees to replace those who retire.

Economy

Figure 6.26: Output forecast

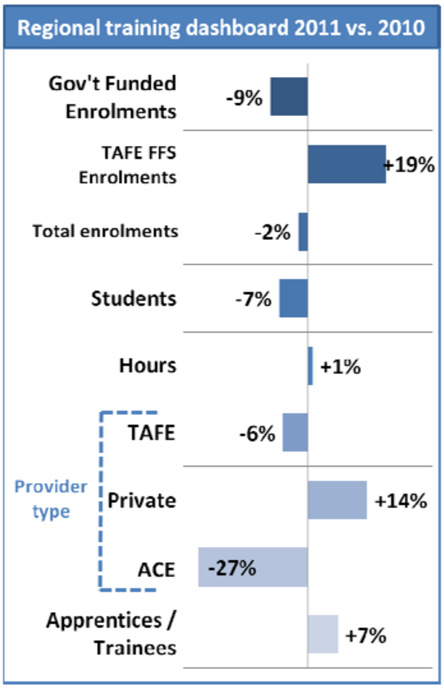


Gippsland's economic output is estimated at $11.5 billion in 2011, representing approximately 4 per cent of total economic output for Victoria.

- Approximately 15,000 jobs added to the workforce between 2007 and 2011, with an estimated 11,700 extra jobs anticipated through to 2018.
- Key industries in terms of output include Agriculture, Mining, Construction and Manufacturing. Electricity, gas, water and waste is also key, as the region supplies a significant proportion of the State's power and water needs, while tourism is also a strong driver of the regional economy.

- The region's reliance on natural resources means its industry base is highly exposed to climate change and the introduction of a carbon price regime. Manufacturing and Agriculture face additional challenges as the industries undergo restructuring and consolidation.
- The transition to a low carbon future presents opportunities for the region to lead in the research, training and implementation of sustainable technologies and practices.
- Additional opportunities exist in specialised manufacturing (for example the local aerospace industry), which represents an important transition for the Manufacturing workforce in the development of advanced technical skills. The training system has a key role to play in supporting the region's workforce in the transition to these higher level skills.

VET Training & the Market[13]

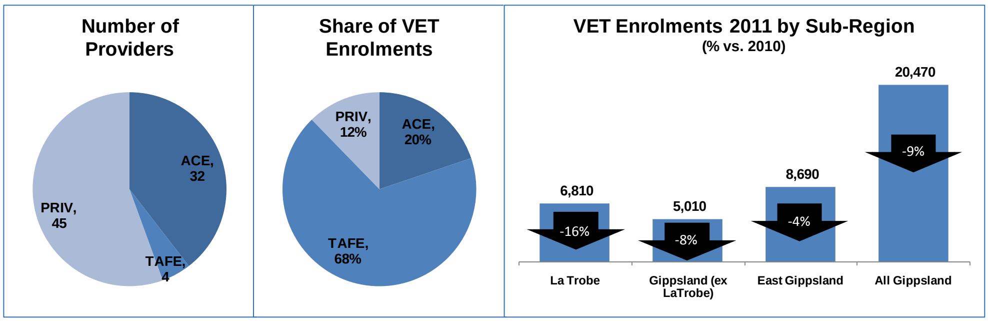


Gippsland saw approximately 29,100 VET enrolments in 2011, of which 20,500 (70 per cent) were government funded.

- Region accounts for 4 per cent of Victoria's government funded training, down from 7 per cent in 2008.
- Only region to see a decline in GF enrolments and student numbers in 2011 – down by 2,000 and 1,200 respectively – although student contact hours increased slightly over the period.
- Majority of decline centred in La Trobe LGA (enrolments down by 1,300); East Gippsland and Bass Coast saw slight growth in 2011.
- Gippsland saw the lowest regional enrolment growth among private RTOs and ACE providers.
- TAFE enrolment growth (GF) was the lowest outside of metro Melbourne regions, although growth in TAFE FFS enrolments was the highest in Victoria – up by 1,400.
- 81 training providers delivered government funded training to the region in 2011, 7 more than in 2010 – the lowest increase in provider numbers in Victoria.
- Accounting for 68 per cent of the government funded training market; Gippsland's TAFE providers have the largest market share in Victoria's regions. The region's ACE providers also account for an above average proportion of enrolments (20 per cent), while private providers make up 12 per cent of the regional training market.

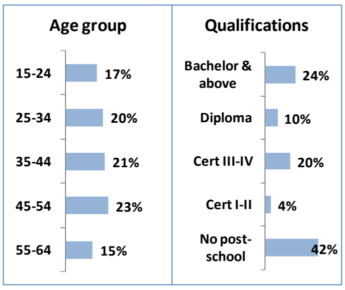
[13] Training data represent government funded domestic enrolments and TAFE onshore domestic AQF1+ fee-for-service activity only. Figures refer to government funded activity (GF) unless otherwise stated.

Figure 6.27: VET market trends



Responding to the Labour Market

Figure 6.28: Existing workforce



Gippsland's labour force averaged around 134,600 in 2011.

- At 4.8 per cent, the unemployment rate is among the lowest in regional Victoria.
- Gippsland also has the highest participation rate outside metropolitan Melbourne (66.5 per cent compared to an average of 65.8 per cent).
- Regional trend towards more highly skilled employees, with the proportion of workers with no post-school qualifications forecast to fall to 36 per cent by 2018, down from 42 per cent in 2011.

Industries

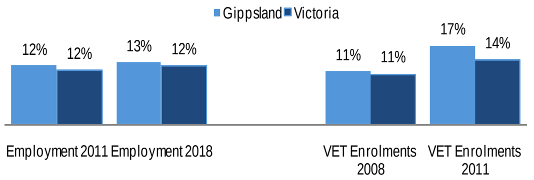
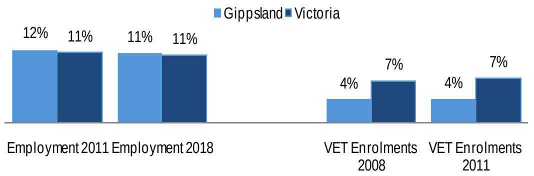
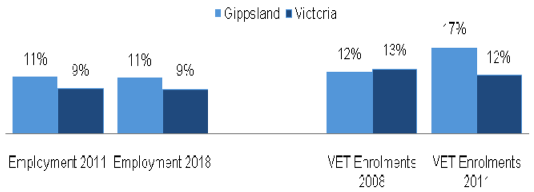
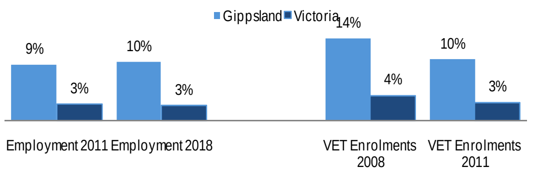
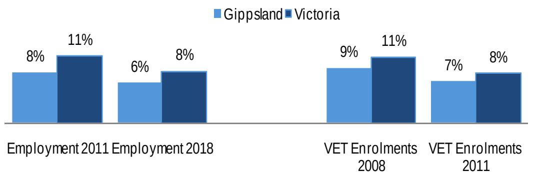
Health Care and Social Assistance is the region's largest employer, followed by Retail Trade and Construction.

- The region has seen significant growth in the Health Care, Construction and Retail Trade sectors in recent years.
- Health Care is forecast to continue its strong growth, while employment growth is also forecast for Agriculture and Education and Training.
- Employment in Manufacturing is expected to continue to decline.

Three of the region's top 5 industries for employment – Health Care, Construction and Agriculture – are also in the top 5 sectors for training market enrolments.

- Construction is Gippsland's largest sector in terms of course enrolments, followed by Health Care and Administrative and Support Services.
- Courses associated with Health Care and Construction have seen the strongest growth in the region; enrolments in a majority of other industry sectors have seen a decline over the period since 2008.
- Courses relating to Accommodation and Food Services have seen the biggest decline, down by 700 to 1,100 – of note given the importance of tourism in the region's economy.

Table 6.11: Industry share of employment and VET

Top 5 Employing Industries	Industry Share (per cent of All Industries in Gippsland)	Comments
Health Care & Social Assistance		• 2,500 enrolments in 2011, up from 1,700 in 2008 (+45 per cent) • Industry increasing its share of enrolments, in line with employment trends.
Retail Trade		• 10th largest training market sector. • 500 enrolments in 2011, down from 600 in 2008.
Construction		• 2,500 enrolments in 2011, an increase of 700 (36 per cent) from 2008. • In line with strong employment growth. • Key course – Cert III in Carpentry (400 enrolments).
Agriculture, Forestry & Fishing		• 4th largest training market sector. • Enrolments down by 600 (-27 per cent) on 2008, to 1,500.
Manufacturing		• 7th largest training sector in the region. • 1,000 enrolments in 2011, 400 less than in 2008 (-27 per cent).

Occupations

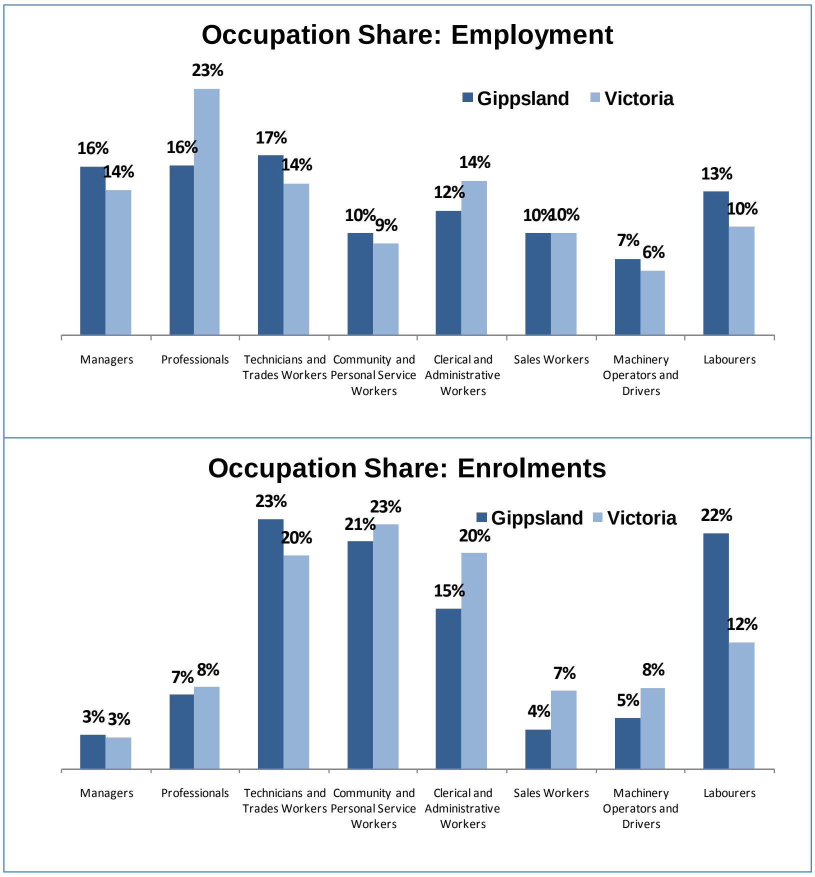
Technicians and trades workers are the largest occupational grouping in Gippsland's labour market. When compared with Victoria, the region has:

- A higher proportion of blue-collar workers, managers and community and personal service workers.
- Explained in part by the region's strength in primary industries and Health Care.

When comparing the region's share of occupational enrolments with the State average, Gippsland has:

- Higher proportion of enrolments in courses associated with technicians and trades workers and labourers – in line with the region's share of employment in these skills.
- Lower share of enrolments linked to machinery operators and drivers and community and personal services workers, of potential concern given the above average share of regional employment in these occupational groups.

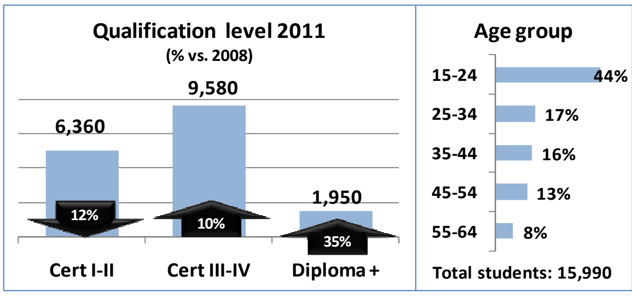
Figure 6.29: Occupation share



Qualifications

The trend towards more highly skilled employees may be challenging given the region's decline in VET enrolments and student numbers in recent years. Gippsland was one of only two regions to see a decline in enrolments at Cert I-II level during 2008-2011. Encouragingly, enrolments in higher level qualifications (Cert III and above) have increased since 2008, albeit at a relatively low rate of growth compared to other training market regions.

Figure 6.30: Government funded training



Top qualifications	2011
Certificate I in Work Education	644
Certificate I in Vocational Preparation	611
Certificate III in Aged Care	417
Certificate III in Carpentry	390
Certificate III in Children's Services	362

These 5 courses accounted for 12% of all government funded training in the region

Victoria’s Metropolitan Regions

Despite shorter term economic instability, over the next 30 years the Melbourne economy is forecast to grow and is expected to add an extra 1.5 million jobs. This growth will be driven by the Health Care and Social Assistance, Professional, Scientific and Technical Services and Financial and Insurance sectors, accounting for approximately 765,000, or around 50 per cent of all growth.

The focus now on skills development provides industry with the capacity to respond quickly when the economy once again shifts; preventing long recruitment challenges, unfilled vacancies and the requirement to employ people that do not have the skills or capabilities to meet demand capacity.

Addressing the skills challenges of metropolitan Melbourne requires a diversified response reflecting the distinct advantages and disadvantages present in each region. The concentration and quality of education facilities combined with the high level of educational attainment across a number of the inner regions of Melbourne provide local businesses access to a skilled workforce; and is a significant factor in attracting high technology business investment.

In some of Melbourne’s growth corridors there are risks of significant rises in unemployment. Jobs added in these local regions have tended to be more highly skilled, while the jobs being lost to the region have tended to be lower skilled. This is leading to a mismatch between resident skills and industry skills demand.

The challenge for Victorians residing in outer Melbourne is the reliance on the inner Melbourne job market and a lack of the full range of employment opportunities available to residents in more inner regions of Melbourne. Education and training can provide an avenue for these regions to establish new industry skills concentration providing the skills base for growth in outer metropolitan industry hubs and business centres.

Eastern Melbourne Region

Melbourne's Eastern region covers an area of 2,964 square kms and extends from densely populated urban villages in the west to less populated rural areas in the east.

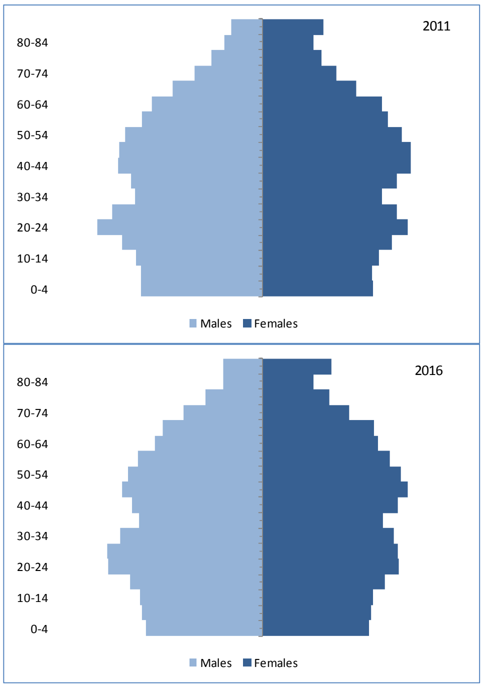
The region includes the local government areas of Boroondara, Knox, Manningham, Maroondah, Monash, Whitehorse and the Yarra Ranges.

Population Profile[14]

The regional population was estimated at 1.03 million people in 2011, making up approximately 26 per cent of Melbourne's total population.

- Population growth of 3 per cent forecast through to 2016, the lowest growth forecast in metropolitan Melbourne, taking the population to around 1.06 million people – an increase of over 27,000 people.
- In 2011, an estimated 15 per cent of the population were aged 65 and over – compared with 14 per cent for Victoria as a whole.
- Proportion aged 65 and over is projected to increase to 17 per cent in 2016 (compared with 16 per cent for Victoria).

Figure 6.31: Population forecast



Economy

Eastern Melbourne's economic output is estimated at $28.4 billion in 2011, making up around 22 per cent of Melbourne's total economic output. Key output sectors include Manufacturing, Construction, Agriculture and Rental, Hiring and Real Estate Services.

- The region employs 544,296 people, equating to 26 per cent of the jobs in Melbourne. Despite any potential shorter term challenges in the labour market, employment in the region is projected to grow by 53,100 people by 2015-16, equating to 9.8 per cent. This growth will continue to centre on knowledge based sectors with high export potential.
- Labour productivity for the Melbourne Eastern region averages $62 per hour worked, below the Melbourne average of $66.5, limiting the competitive potential of the regional labour market.

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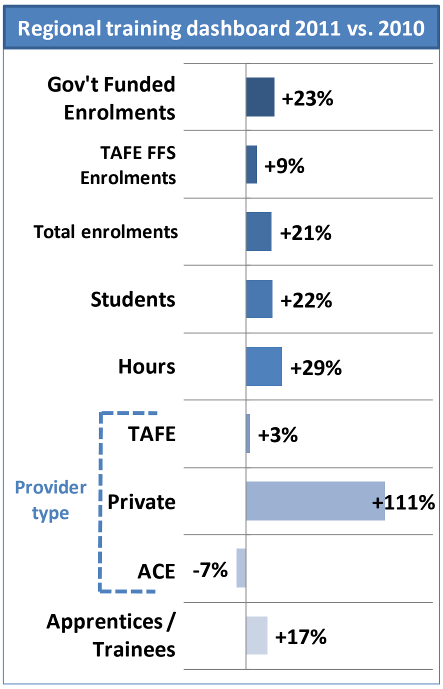
[14] Melbourne population data source: *DPCD Victoria in Future, 2008.* Population forecasts are to 2016 for Melbourne area, not 2018 as for the non-metropolitan regions.

- The region's industrial areas (Knox, Maroondah and Monash) are key contributors to Eastern Melbourne's economy, although the strong manufacturing base in these areas means they are being adversely affected by the strong Australian dollar.
- The South East Melbourne Innovation Precinct (SEMIP) is another significant contributor to the East's economy which focuses on the region's strengths in higher education, research, technology development and advanced manufacturing. The municipalities of Monash and Knox (Eastern Region) partner with Dandenong and Kingston (Southern Region) to form this precinct.

VET Training & the Market[15]

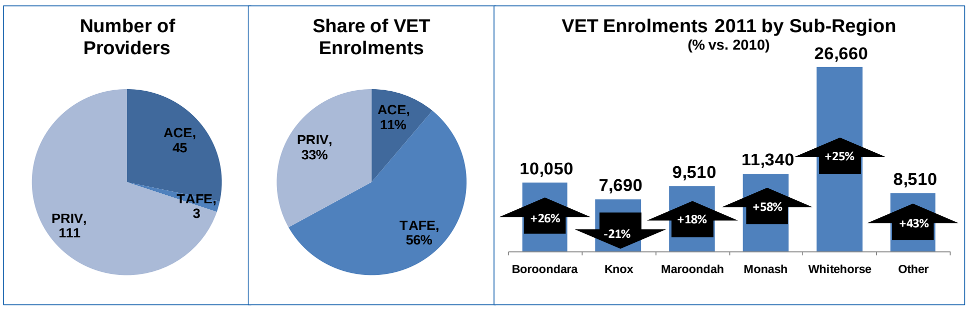
There were approximately 82,400 enrolments in vocational education and training courses in Melbourne's Eastern region in 2011, of which 73,700 (89 per cent) were government funded.

- Eastern Melbourne had the equal smallest share of VET enrolments across metropolitan Melbourne, equal to the Northern region with 19 per cent.
- However the region had the second highest GF enrolment growth in metropolitan Melbourne, up by 23 per cent (or 13,600 enrolments).
- The Monash area had the strongest growth in VET enrolments, up 58 per cent to 11,300 enrolments.
- Private RTOs accounted for the majority of the region's enrolment growth.
- There was a slight drop off in ACE provision between 2010 and 2011 (-7 per cent).



- 159 providers delivered GF training in 2011, up by 25 providers since 2010. This growth was driven primarily by the private RTOs. Private RTOs now account for 33 per cent of government funded enrolments, while TAFE providers account for 56 per cent (the highest proportion in metropolitan Melbourne).

Figure 6.32: VET market trends



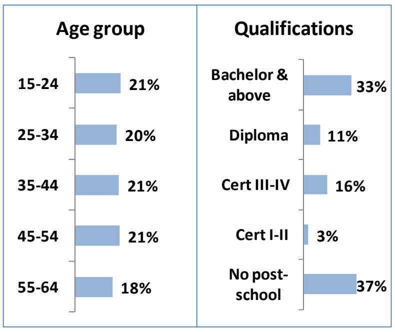
[15] Training data represent government funded domestic enrolments and TAFE onshore domestic AQF1+ fee-for-service activity only. Figures refer to government funded activity (GF) unless otherwise stated.

Responding to the Labour Market

Eastern Melbourne's labour force averaged around 598,000 in 2011.

- Unemployment rate of 4.1 per cent – the lowest in metropolitan Melbourne – although this headline figure hides areas of higher unemployment across the region.
- Participation rate of 66.2 per cent is just above the State average of 65.8 per cent.
- Melbourne's east has the highest proportion of the workforce holding post-school qualifications, (estimated at 63 per cent of the workforce) compared with all other Victorian regions. The region also holds the largest proportion of Diploma and above post-secondary qualification levels, with over one in four workers holding these higher level qualifications.

Figure 6.33: Existing workforce



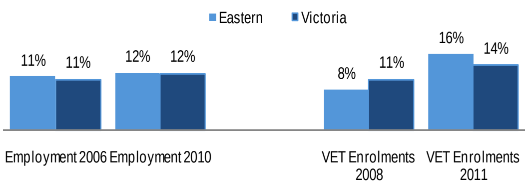
Industries

Major employers are Health Care and Social Assistance, followed by Retail Trade and Manufacturing. Professional, scientific and technical services and Education and Training were the next largest employing industries in the region.

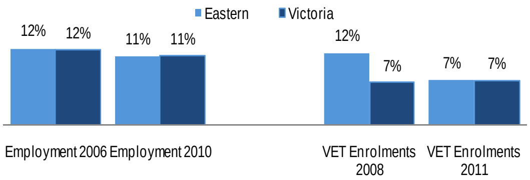
The largest growing sectors in terms of new jobs created in the past decade are in Education and Training, Health Care and Social Assistance, Accommodation and Food Services, professional scientific and technical services and Transport, Postal and Warehousing

- Reflective of employment growth in Health Care and Social Assistance, there was also a solid increase in VET enrolments, exceeding the Victoria average share of all industry training provision, up to 16 per cent of all enrolments in 2011.
- Retail VET enrolments in 2008 were markedly higher than the Victorian average.
- While still a critical regional industry, the contribution of Manufacturing has dropped in the region from 12 per cent to 11 per cent. Aligned to this has been a drop in VET enrolments in this industry.
- VET enrolments in Professional, Scientific and Technical Services are reflective of the importance of this employment sector in the region. It will be interesting to note the impact of changes in the higher education sector in 2012 on future trends in VET enrolments within this industry.
- Education and training has seen a small decline in all industry employment share from 9 per cent in 2008 to 8 per in 2011. While this decline in industry share may be short term and reflective of the decline in international students brought about by current global economic conditions, trends in VET enrolments are significantly out of line with broad employment trends.

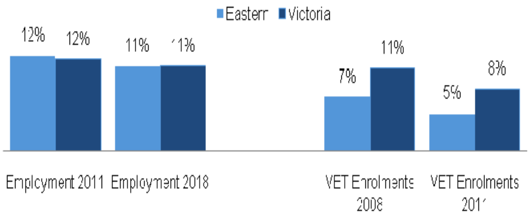
Table 6.12: Industry share of employment and VET

<table>
<tr><th>Top 5 Employing Industries</th><th>Industry Share
(per cent of All Industries in Melbourne's Eastern region)</th><th>Comments</th></tr>
<tr><td>Health Care & Social Assistance</td><td>
</td><td>

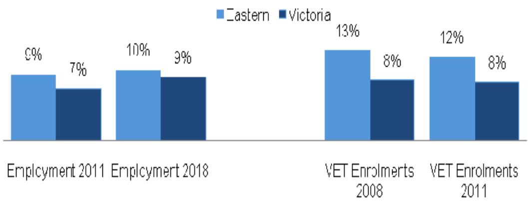
- 8,600 enrolments in 2011, up from 3,500 in 2008 (+148 per cent).
- Industry increasing its share of enrolments, in line with importance of the sector to the region.

</td></tr>
<tr><td>Retail Trade</td><td>
</td><td>

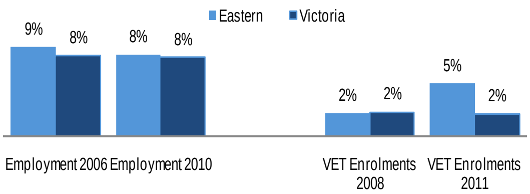
- 5th largest training market sector.
- 3,900 enrolments in 2011, down 900 enrolments from 2008.

</td></tr>
<tr><td>Manufacturing</td><td>
</td><td>

- 2,600 enrolments in 2011, a decline of 300 (-10 per cent) since 2008.
- While employment in the sector has declined it is still a key employer and requires skills deepening to support sector transitions.
- Key course – Cert III in Process Manufacturing.

</td></tr>
<tr><td>Professional, Scientific & Technical Services</td><td>
</td><td>

- 4th largest training market sector.
- 8,500 enrolments up 700 (9 per cent) on 2008.
- Sector remains a key contributor to regional employment.

</td></tr>
<tr><td>Education & Training</td><td>
</td><td>

- 7th largest training sector in the region.
- Strong enrolment growth in 2011, up 1,900 from 2008 to 2,800 enrolments (an increase of almost 200 per cent).

</td></tr>
</table>

Occupations

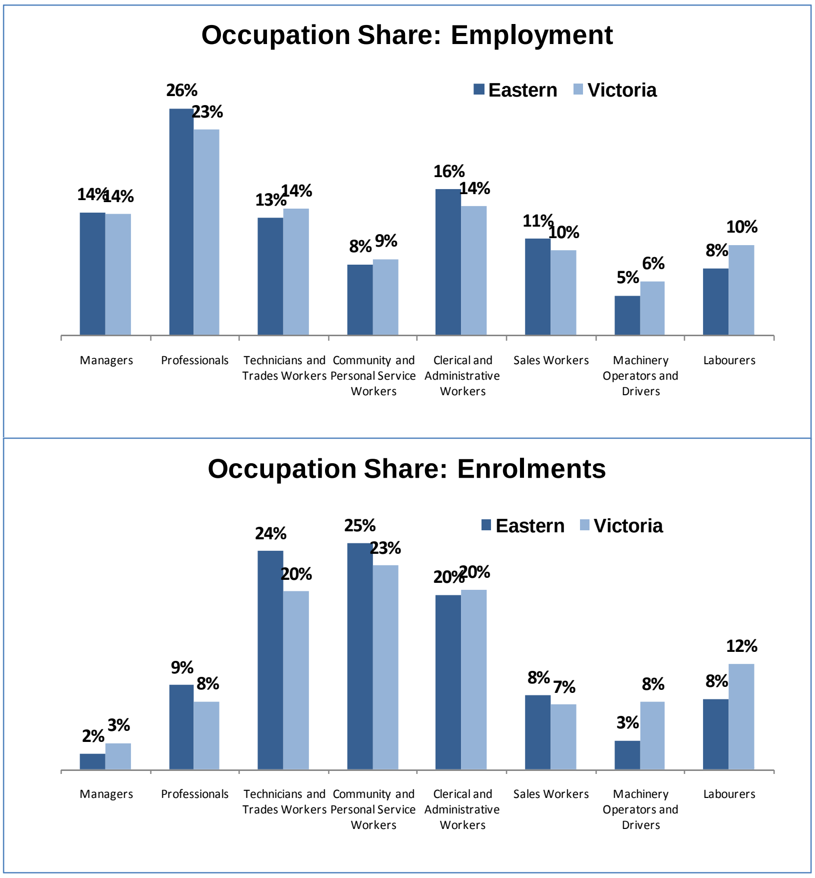
Common to most Victorian regions, the Eastern region's largest occupation of employment is professionals.

When compared with Victoria, the region has a lower proportion of blue collar occupations – driven in part by the region's key industries of Health Care and Social Assistance, Professional, Scientific and Technical Services and Education and Training.

Qualifications linked to professionals and clerical workers are above or in line with the State average – reflective also of their share of employment.

Enrolments in courses related to community and personal services workers and technicians and trades are above the Victorian average – despite having a below average share of the region's employment. This trend addresses longer-term entrenched skills shortages and recruitment difficulties in the Eastern region's key employing industries of Health Care and Social Assistance, Manufacturing and Construction.

Figure 6.34: Occupation share



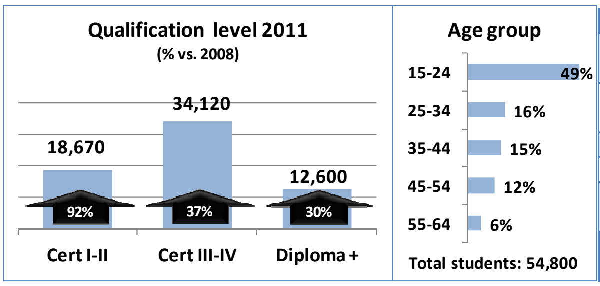
Qualifications

Eastern Melbourne's strengths in Education and Training lie in the concentration and quality of education facilities combined with the high level of educational attainment of the region's population, providing local businesses access to a skilled workforce; and is a significant factor in attracting high technology business investment.

For Melbourne's east, therefore, training priorities are focused on ensuring skills are in reasonable balance compared to local demand (for example, demand for tradespeople in the region often exceeds supply); and ensuring there are enough opportunities for vocational education and alternative educational settings for young people who may not fit easily into Year 12 to university pathways.

The strong growth in enrolments at Cert I-II level reflects the focus on providing alternative educational pathways. Enrolment growth at Cert III-IV level is the lowest in metropolitan Melbourne however, potentially influenced by the high proportion of the regional population with higher education qualifications.

Figure 6.35: Government funded training



Top qualifications	2011
Certificate II in General Education for Adults	3,948
Certificate I in General Education for Adults	3,780
Diploma of Management	1,839
Certificate II in Retail	1,829
Certificate III in Children's Services	1,641

These 5 courses accounted for 18% of all government funded training in the region

Western Melbourne Region

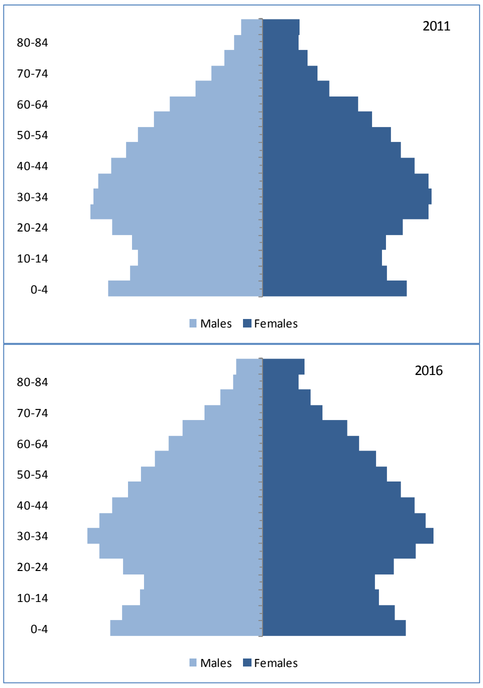
The Western Melbourne region extends 1,369 square kms. The region includes the local government areas of Brimbank, Maribyrnong, Melbourne, Melton, Moonee Valley, Hobsons Bay and Wyndham.

Population Profile

Regional population estimated at 722,600 in 2011, making up approximately 20 per cent of Melbourne's total population and is the fastest growing region across Melbourne.

- Population growth of 12 per cent forecast through to 2016, taking the population to around 807,800.
- Steady growth in all age groups, with fastest growth in the 30 to 54 years group.
- In 2011, an estimated 11 per cent of the population were aged 65 and over – compared with 14 per cent for Victoria as a whole.
- Proportion aged 65 and over is projected to increase to 13 per cent in 2018 (compared with 16 per cent for Victoria).
- Over 36 per cent of the population born overseas.

Figure 6.36: Population forecast



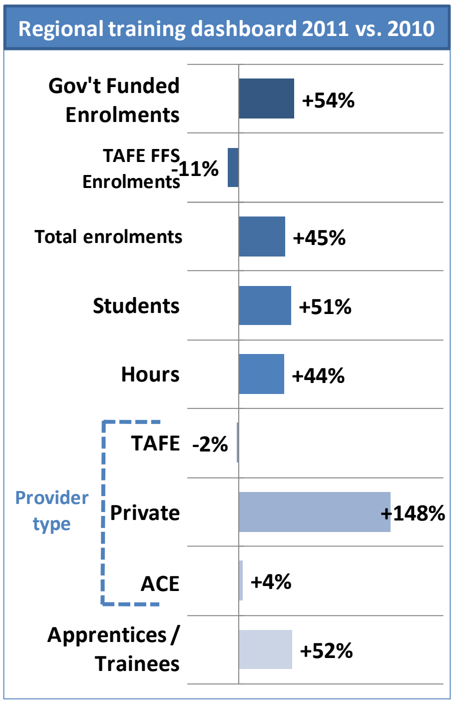
Economy

Western Melbourne's economic output is estimated at $14.3 billion in 2011, making up around 11 per cent of Melbourne's total economic output. Manufacturing is the largest contributor to Gross Regional Product (GRP), (14 per cent of total GRP) followed by Construction.

- Employment is projected to grow by 65,700 people by 2015-16, equating to 13.5 per cent.
- Key output sectors include Manufacturing, Construction, Agriculture and Rental, Hiring and Real Estate Services.
- A key economic challenge for the West is the reliance on the inner Melbourne job market with the region lacking the full range of employment opportunities that are available to residents in other regions. Education and training provides an avenue for the region to establish new industry skills concentration, especially those that are

knowledge-based, professional and skilled, providing for a more diversified local employment base.

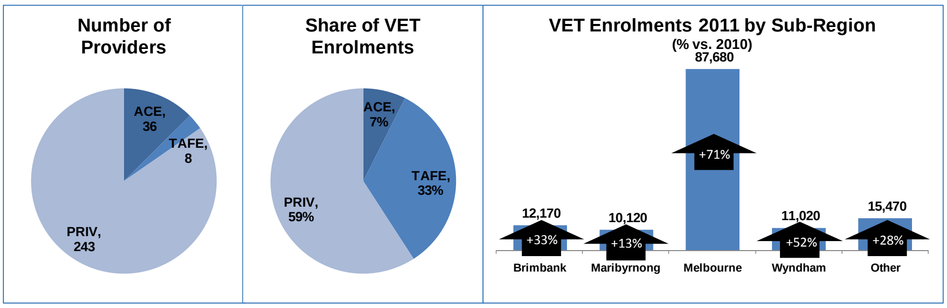
VET Training & the Market[16]



There were approximately 148,800 enrolments in vocational education and training courses in the Western Melbourne region in 2011, of which 136,300 (92 per cent) were government funded.

- Largest GF VET region in metropolitan Melbourne, representing 35 per cent of metropolitan enrolments.
- Strongest GF enrolment growth in metropolitan Melbourne, up by 54 per cent (or 47,700 enrolments) since 2010.
- Private RTOs accounted for the majority of the region's enrolment growth.
- Largest growth in student numbers of any training market in Victoria, equating to a growth of 51 per cent or 36,400 students.
- 287 providers delivered GF training in 2011 – 67 more than in 2010.
- Western Melbourne's private RTOs have the highest share of the government funded training market in Victoria, accounting for 59 per cent of enrolments. TAFE and ACE provider share is the lowest in Victoria, accounting for 33 per cent and 7 per cent of the local training market respectively.

Figure 6.37: VET market trends



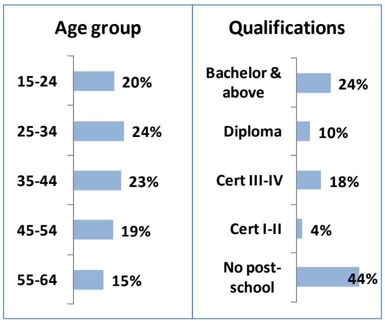
[16] Training data represent government funded domestic enrolments and TAFE onshore domestic AQF1+ fee-for-service activity only. Figures refer to government funded activity (GF) unless otherwise stated.

Responding to the Labour Market

Western Melbourne region's labour force averaged around 536,200 in 2011.

- Unemployment rate of 6.7 per cent, above the State average of 5.1 per cent.
- Across Melbourne, Brimbank (Sunshine) had the third highest unemployment rate at 10.4 per cent.
- The average duration of unemployment is amongst the longest across Melbourne at 43 weeks (Melbourne average is 32 per cent). There is a strong imperative to support learning pathways for disadvantaged long-term unemployed in this region.

Figure 6.38: Existing workforce



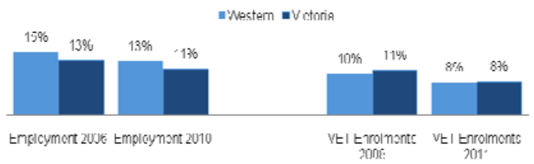
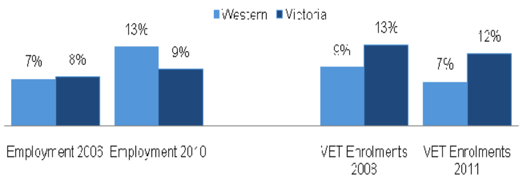
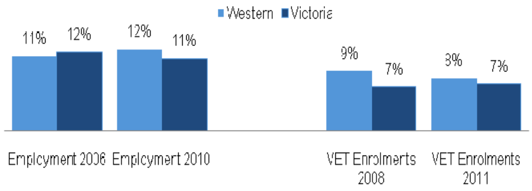
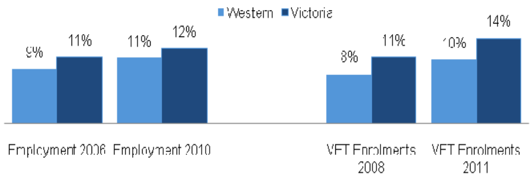
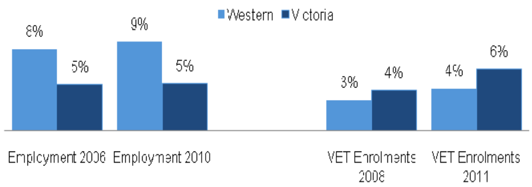
- Unemployment is also particularly high amongst people born in non-English speaking countries at 10.6 per cent within the region. Foundation training offered through VET is a key enabler for this group to gain employment.
- Participation rate of 64.7 per cent is below the State average of 65.8 per cent.
- An estimated 56 per cent of the workforce hold post-school qualifications. This is comparatively low across metropolitan Melbourne (average is 59 per cent).

Industries

Large employing industry sectors are Manufacturing (33,900), Construction (33,400), Retail (32,691), Health Care and Social Assistance (27,900) and Transport, Postal and Warehousing (24,000).

- Construction has seen strong employment growth while Manufacturing has been in decline, in line with State-wide trends.
- Solid employment growth was witnessed in Retail, despite an overall decline at the Victorian level. Health Care and Social Assistance also saw strong growth between 2006 and 2010.

Table 6.13: Industry share of employment and VET

Top 5 Employing Industries	Industry Share (per cent of All Industries in Western Melbourne region)	Comments
Manufacturing		• 8,900 enrolments in 2011, up by 3,200 (56 per cent) since 2008. • 6th largest VET market sector, despite being the region's largest employer.
Construction		• Smaller sized training market sector – despite Construction's importance as a key regional employer. • Enrolments have increased to 7,900, up by 2,500 from 2008.
Retail Trade		• The region's 5th largest training market sector, although its share of the market is falling. • 9,100 enrolments in 2011, representing a 3,800 growth in enrolments since 2008 (up 72 per cent).
Health Care & Social Assistance		• 11,700 enrolments in 2011, 7,100 more than in 2008 (+154 per cent), reflective of its growth as a key regional employer. • Key courses – Cert III & Diploma in Children's Services.
Transport, Postal & Warehousing		• 10th largest VET market sector, with 4,800 enrolments in 2011. • Enrolments up by 165 per cent (3,000) since 2008. • Key courses – Cert II & Cert III in Transport & Logistics (Warehousing & Storage).

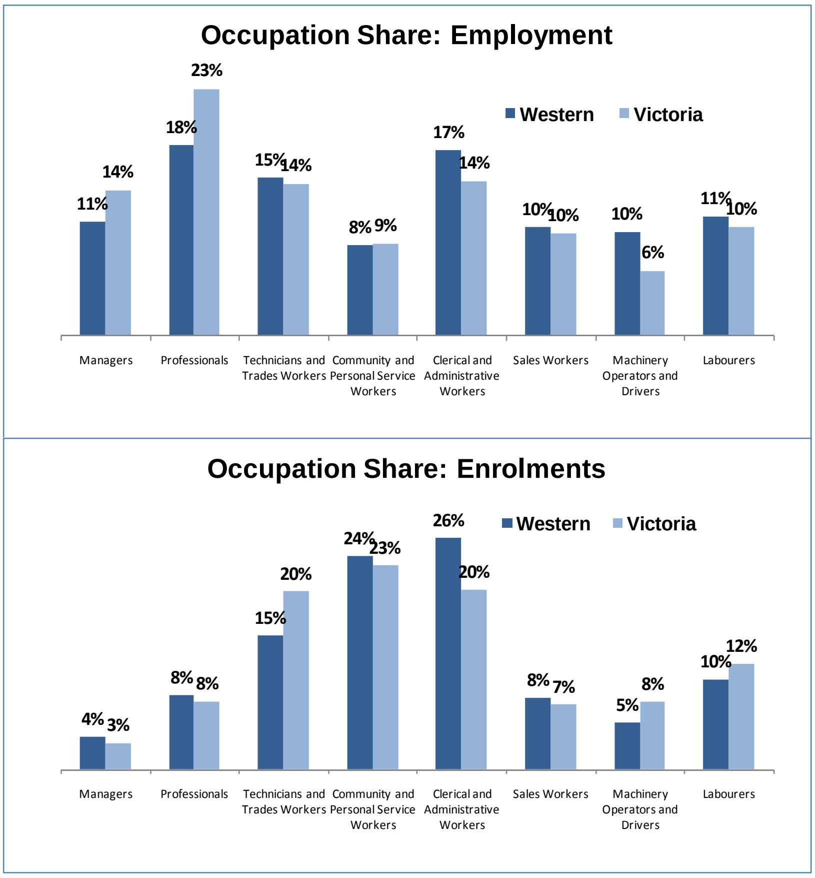
Occupations

Reflecting broad trends across Victoria, Western Melbourne's largest occupation of employment is professionals, followed by clerical and administrative workers. When compared with Victoria, the region has:

- Higher proportion of blue-collar workers, clerical and administrative workers and sales workers.
- Below average proportion of managers and professionals.

When comparing the proportion of occupational enrolments in the regional training system to the State average, there is a below average share of enrolments linked to blue collar employment – despite making up a higher proportion of Western Melbourne's workforce.

Figure 6.39: Occupation share



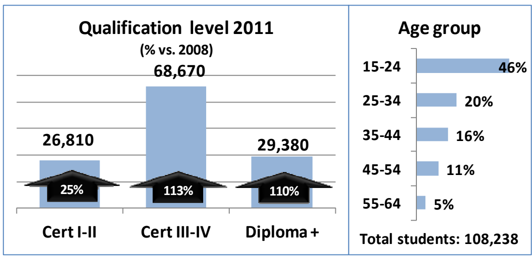
Qualifications

Key characteristics of Melbourne's West are:

- Lower English language and numeracy skills resulting in a major barrier to meaningful employment.
- New jobs being created by local industry beyond the capacity of low skilled households from within the region to fill, with a risk of a widening skills imbalance between residents and industry demand.
- A workforce that is highly exposed to economic downturn and high mortgage stress.

Western Melbourne has experienced the highest enrolment growth in Victoria at all qualification levels, reflecting the need for entry level training to support access to employment combined with strong demand from local industry for employees with higher level skills.

Figure 6:40: Government funded training



Top qualifications	2011
Diploma of Management	6,538
Certificate III in Retail	4,890
Certificate III in Customer Contact	4,069
Certificate III in Hospitality	3,674
Certificate II in Hospitality	2,849
These 5 courses accounted for 16% of all government funded training in the region	

Southern Melbourne Region

The Southern Melbourne region covers 2,886 square kilometres and incorporates a large number of local government areas including Bayside, Casey, Cardinia, Frankston, Glen Eira, Greater Dandenong, Kingston, Mornington Peninsula, Port Phillip and Stonnington.

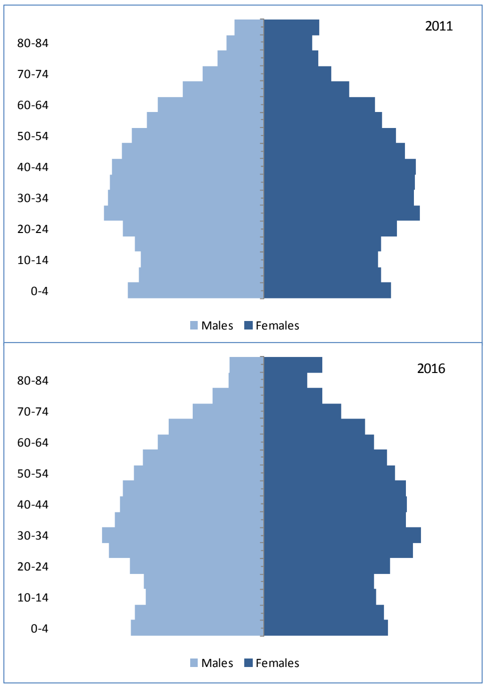
The region is characterised by largely established, densely populated urban and inner urban areas in the south west of the region and urban growth corridors in the southeast of the region.

Population Profile

Regional population was estimated at 1.3 million in 2011, making up approximately one third of Melbourne's total population.

- Population growth of 8 per cent forecast through to 2016, taking the population to around 1.4 million.
- In 2011, an estimated 14 per cent of the population were aged 65 and over – equal to the Victorian average
- Proportion aged 65 and over is projected to increase to 15 per cent in 2016 (compared with 16 per cent for Victoria).
- Providing local employment and training opportunities, as well as an attractive lifestyle, will be critical to matching future labour market requirements and supporting the needs of the region's significantly ageing population.

Figure 6.41: Population Forecast



Economy

The Southern Melbourne region's GRP was estimated at $35.4 billion in 2011, representing 27 per cent of metropolitan Melbourne's GRP.

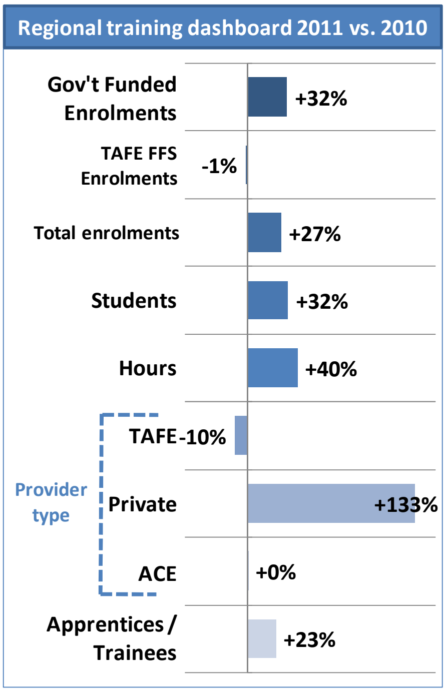
- The region has a highly diversified business base, with approximately 132,000 businesses.
- Small and micro businesses are a leading contributor to the region's economy, with nearly 9 in 10 businesses employing between 0 and 4 people. Less than one per cent of regional businesses employ 100+ people. Large employers are concentrated in manufacturing companies in Greater Dandenong and Professional, Scientific and Technical Services companies in Port Phillip.
- The major industry sectors in the southern region are Manufacturing, Wholesale, Retail, Property and Business Services, and Construction.

- Manufacturing continues to be a key driver of regional prosperity with 35 per cent of the regional output and 75 per cent of the exporting output, to the total value of $35.6 billion per annum.
- Employment is projected to grow by 64,200 people by 2015-16, equating to 10.8 per cent.
- A strong future emphasis of the Southern region is building up the already designated “Central Activities Areas” of Dandenong and Frankston into “regional capitals.” A major driver of this priority is the capacity of the region to attract new investment, business retention and employment opportunities. Training and education will be critical in underpinning the strength of these regional hubs.
- To maintain economic growth and the overall prosperity of the region, a number of skills challenges exist. There is a mismatch between the jobs available and the skills of the local residents. In addition there is an overall low resident skill base in Greater Dandenong, Cardinia, Frankston and the Mornington Peninsula. There is also a significant proportion of the workforce heading for retirement.

VET Training & the Market[17]

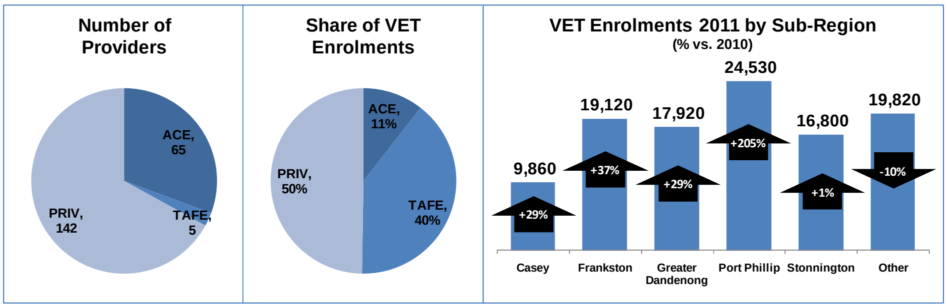
There were approximately 121,800 enrolments in vocational education and training courses in Southern Melbourne in 2011, of which 107,600 (88 per cent) were government funded.

- Second largest VET region across all metropolitan Melbourne regions, at 28 per cent.
- GF enrolment growth in 2011 of 32 per cent (or 25,900 enrolments).
- Private RTOs accounted for all of the region’s enrolment growth.
- Chisholm held the highest proportion of enrolments within the Southern Melbourne region. They witnessed a 5 per cent growth between 2010 and 2011, equating to approximately 1,100 enrolments.
- 212 providers delivered GF training in 2011 – 24 more than in 2010.
- Private providers account for half of all Southern Melbourne’s government funded enrolments, the second highest share in Victoria’s regions.



[17] Training data represent government funded domestic enrolments and TAFE onshore domestic AQF1+ fee-for-service activity only. Figures refer to government funded activity (GF) unless otherwise stated.

Figure 6.42: VET market trends

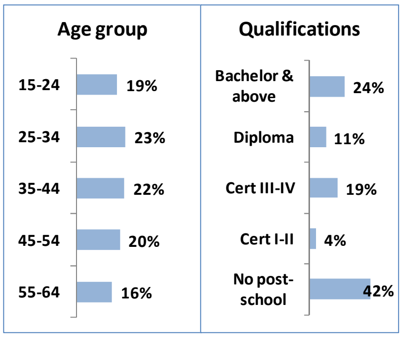


Responding to the Labour Market

Southern Melbourne region's labour force averaged around 632,000 in 2011.

- Unemployment rate of 5.1 per cent, equal to the State average.
- Southern Melbourne has a diversified employment profile, with some of the highest and lowest unemployment rates across the State. Greater Dandenong (Dandenong) has the second highest unemployment rate across the State at 11.1 per cent, while Bayside (Brighton) has the third lowest unemployment level at 1.8 per cent (close to full employment).

Figure 6.43: Existing workforce



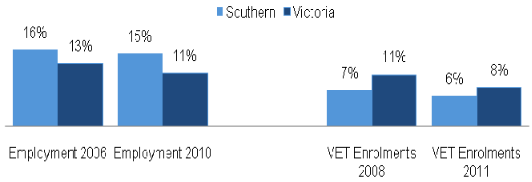
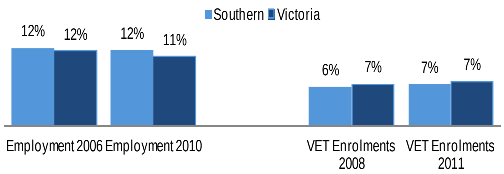
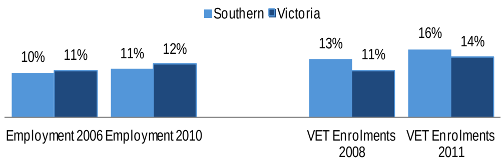
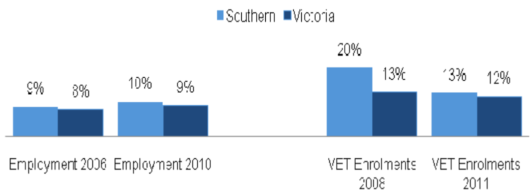
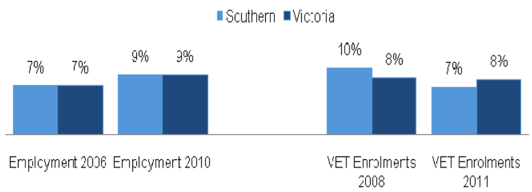
- Participation rate of 65.6 per cent close to the State average of 65.8 per cent.
- An estimated 58 per cent of the workforce hold post-school qualifications. One in three residents hold a qualification at a Diploma or above level.

Industries

Manufacturing is central to Southern Melbourne. The industry is a critical generator of output, value adding and jobs in the Southern Melbourne region. In recent decades, the sector has undergone significant transformation and has now consolidated a strong position in the national and international economies.

Retail and Health Care and Social Assistance are the next largest employers in Southern Melbourne. Over the five years to 2010, Retail remained the second largest employer, representing 12 per cent of all regional employment. Health Care and Social Assistance increased from 10 to 11 per cent between 2006 and 2010.

Table 6.14: Industry share of employment and VET

Top 5 Employing Industries	Industry Share (per cent of All Industries in Southern Melbourne region)	Comments
Manufacturing		• 7th largest training sector, down from 5th in 2008. • Enrolments increased by 2,400 (+73 per cent) since 2008, to 5,600.
Retail Trade		• 6th largest training sector, with 6,000 enrolments. • Growth of over 3,200 since 2008. • Most enrolments (89 per cent) – Cert II & III Retail.
Health Care & Social Assistance		• Enrolments up by 8,200 since 2008 (+141 per cent), to 14,000. • Most enrolments – Cert III in Children's Services.
Construction		• 3rd largest training sector. • Enrolments up by 2,500 since 2008 (+29 per cent), to 11,400. • Largest course enrolments in Cert III in Plumbing & Cert III in Carpentry (25 per cent collectively).
Professional, Scientific & Technical Services		• Declining share of training market - 5th largest sector, down from 4th in 2008. • Enrolment growth of 2,000 on 2008 (+46 per cent), to 6,400.

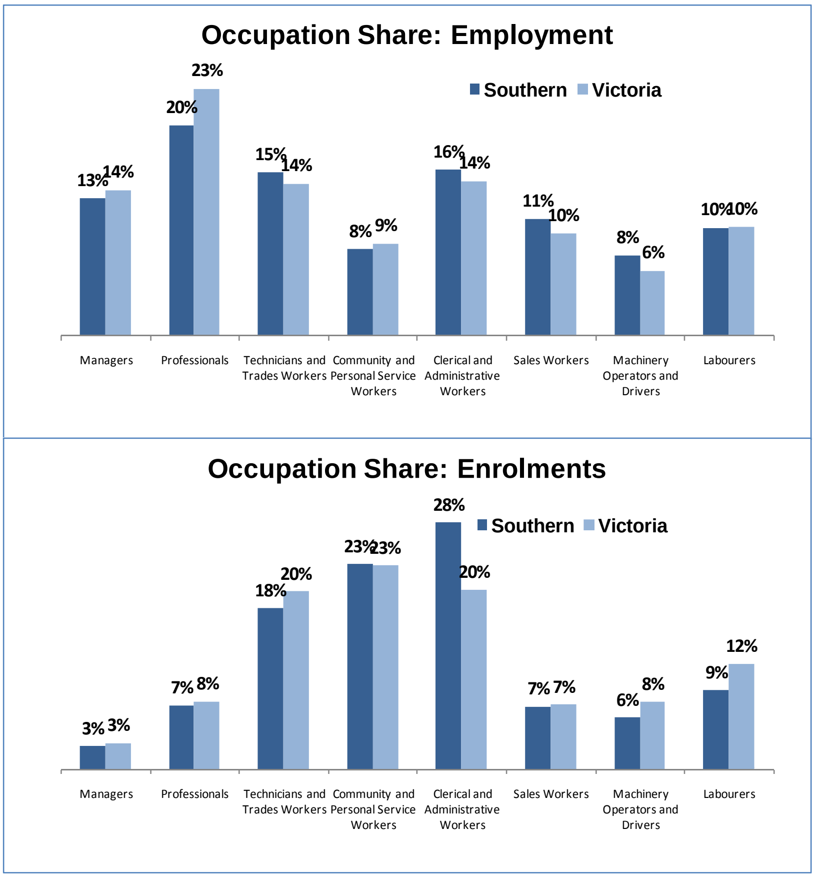
Occupations

As is common to most Victorian regions, Southern Melbourne's largest occupation of employment is professionals.

Skills shortages remain widespread. Typically the occupations in short supply include mechanical engineers and the traditional trades such as plumbers, boiler makers, electricians, fitters and turners and welders.

When comparing the proportion of enrolments linked to technicians and trades workers with the State average, Southern Melbourne has a below average share. This trend is unlikely to address the region's existing skills shortages in trades and related occupations.

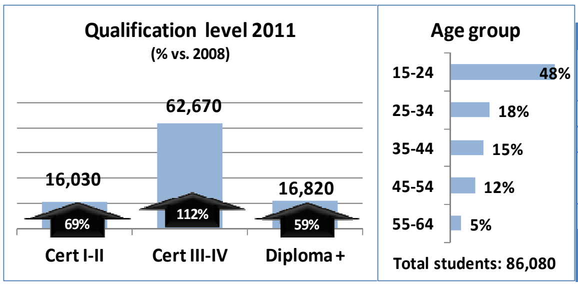
Figure 6.44: Occupation share



Qualifications

Southern Melbourne region's strong enrolment growth in higher level qualifications, particularly at Cert III-IV level, should provide a pipeline of employees to meet the region's need for a more highly skilled workforce in the years ahead.

Figure 6.45: Government funded training



Top qualifications	2011
Certificate IV in Business Administration	7,980
Certificate IV in Financial Services	3,620
Certificate III in Hospitality	3,336
Certificate III in Children's Services	3,317
Certificate III in Retail	2,750
These 5 courses accounted for 20% of all government funded training in the region	

Northern Melbourne Region

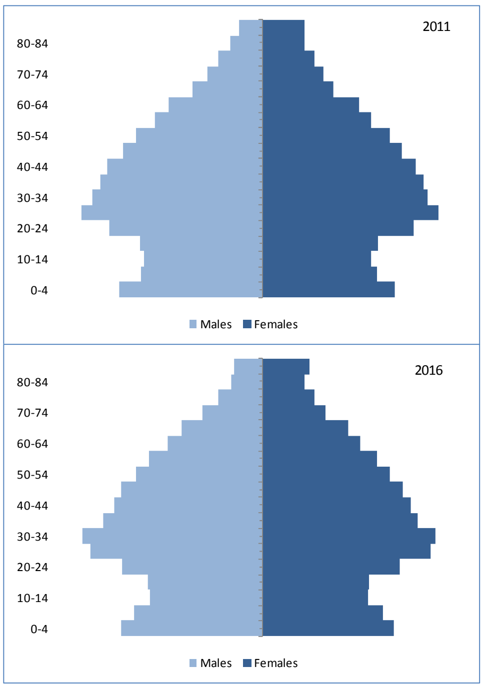
The Northern Melbourne region extends just over 1,560 sq km and includes the metropolitan LGAs of Banyule, Darebin, Moreland and Yarra, and the semi-rural LGAs of Hume, Nillumbik and Whittlesea.

Population Profile

Regional population estimated at 895,600 in 2011 and comprising around 287,000 households, making up approximately 22 per cent of Melbourne's total population.

- Population growth of 8 per cent forecast through to 2016, taking the population to around 969,300.
- In 2011, an estimated 12 per cent of the population were aged 65 and over – compared with 14 per cent for Victoria as a whole.
- Proportion aged 65 and over is projected to increase to 13 per cent in 2016 (compared with 16 per cent for Victoria).
- Over 30 per cent of the population was born overseas.

Figure 6.46: Population forecast



Economy

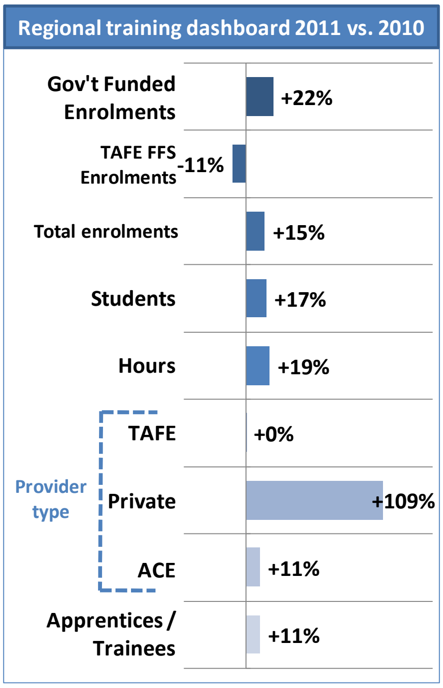
There are approximately 28,400 employing businesses in Melbourne's North and a vast majority of these are small businesses with less than ten employees.

- Melbourne's North has evolved from a manufacturing region to a knowledge economy region in which high tech manufacturing has been retained and significant research hubs are being developed.
- Northern Melbourne region's economic output is estimated at $37.3 billion in 2011, making up around 13 per cent of Victoria's total economic output.
- The region's share of Melbourne out of state exports is 17.5 per cent. Melbourne's North is important to Melbourne's overall economic performance, with 20 per cent of the region's out of state exports focused on international markets.

- Employment is projected to grow by 49,000 people by 2015-16, equating to 2.8 per cent
- Given the costs of climate change and transport issues, the requirement to provide local employment and training has been identified as particularly high in the outer parts of the region (Hume and Whittlesea), where populations are growing rapidly.
- In some areas of the region where there is rapid population growth, the risk of significant rises in unemployment is present. Jobs being added to the region have tended to be higher skilled jobs.

VET Training & the Market [18]

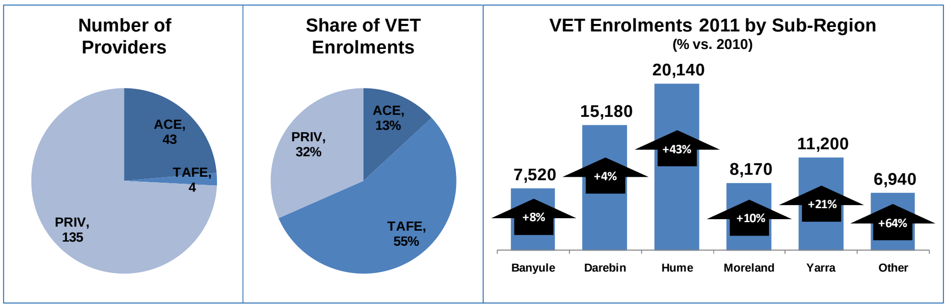
There were approximately 81,000 enrolments in vocational education and training courses in Northern Melbourne region in 2011, of which 68,700 (85 per cent) were government funded.



- Smallest VET region in metropolitan Melbourne, making up 18 per cent of total GF enrolments.
- Lowest enrolment growth across metropolitan Melbourne, with growth of 22 per cent (or 12,300 enrolments) since 2010.
- Strong enrolment growth in the Hume local government area, up 43 per cent since 2010.
- Enrolments with ACE providers also saw good growth in the region (up by 11 per cent or close to 1,000 enrolments).
- Growth in students of 17 per cent, equal to 7,800 students.
- 182 providers delivered GF training in 2011 – 45 more than in 2010.
- TAFE providers account for more than half of all training delivery in the region (55 per cent). Private RTOs account for 32 per cent of government funded enrolments, the lowest share in metropolitan Melbourne. At 13 per cent, Northern Melbourne's ACE providers have highest market share among the metropolitan regions (although lower than each of the non-metropolitan regions).

[18] Training data represent government funded domestic enrolments and TAFE onshore domestic AQF1+ fee-for-service activity only. Figures refer to government funded activity (GF) unless otherwise stated.

Figure 6.47: VET market trends

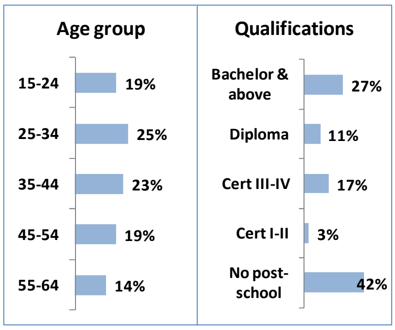


Responding to the Labour Market

Northern Melbourne region's labour force averaged around 263,800 in 2011.

- Unemployment rate of 4.7 per cent, lower than the State average of 5.1 per cent. Despite a low unemployment rate overall, the region has pockets of high unemployment. For example, Hume (Broadmeadows) has the highest unemployment rate across the State at 12.8 per cent.
- Teenage full-time unemployment rate is above average in Northern Melbourne, where for every three teens working full-time, there is one teen looking for full-time work. Education and training can offer a critical enabler for youth to transition from unemployment into work.
- Participation rate of 65.9 per cent is on a par with the State average of 65.8 per cent.

Figure 6.48: Existing workforce

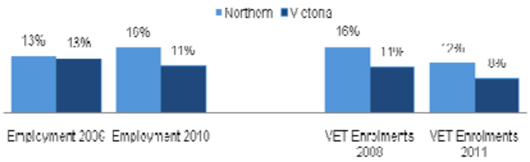


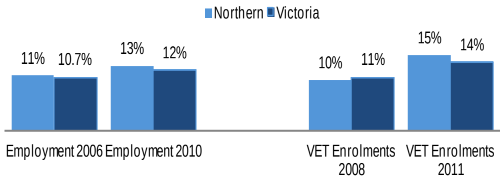
Industries

The largest employing industry sectors are Manufacturing (59,300), Health Care and Social Assistance (49,500) and Retail Trade (38,500).

While lifelong learning applies to all residents of the region, it is especially important in areas of industrial restructuring, particularly as manufacturing businesses close. Retraining people has been identified at the regional level as key to keeping residents employed and filling skills shortages for local industry.

Table 6.15: Industry share of employment and VET

<table>
<tr><th>Top 5 Employing Industries</th><th>Industry Share
(per cent of All Industries in Northern Melbourne region)</th><th>Comments</th></tr>
<tr><td>
Manufacturing</td><td>
</td><td>

3rd largest training sector (up from 8th in 2008), with 6,200 enrolments.
Solid enrolment growth, up by 1,200 on 2008 (+25 per cent).
</td></tr>
<tr><td>
Health Care & Social Assistance</td><td>
</td><td>

Enrolments up by 4,800 since 2008 (+149 per cent), to 8,000, the largest real growth across the region.
Largest training sector (up from 5th in 2008). Most enrolments in Cert III & Diploma in Children's Services.
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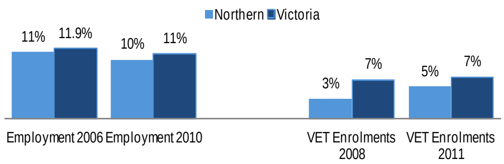
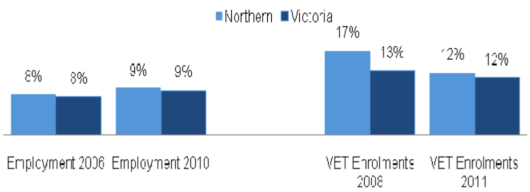
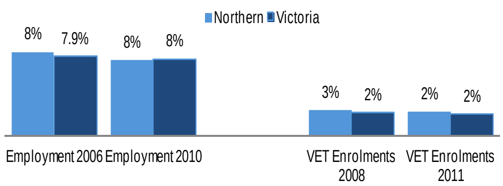
<tr><td>
Retail Trade</td><td>
</td><td>

10th largest training sector.
Enrolments up by 1,800 since 2008 (+171 per cent), to 2,900.
</td></tr>
<tr><td>
Construction</td><td>
</td><td>

2nd largest training sector.
Enrolments up by 1,200 since 2008 (+23 per cent), to 6,600.
Most enrolments – Cert III in Electro technology Electrician, Cert III in Carpentry & Cert III in Plumbing.
</td></tr>
<tr><td>
Education & Training</td><td>
</td><td>

Small training market sector – low levels of VET intensity (largely HE qualifications).
Enrolments up by 500 (+56 per cent) since 2008, to 1,300.
</td></tr>
</table>

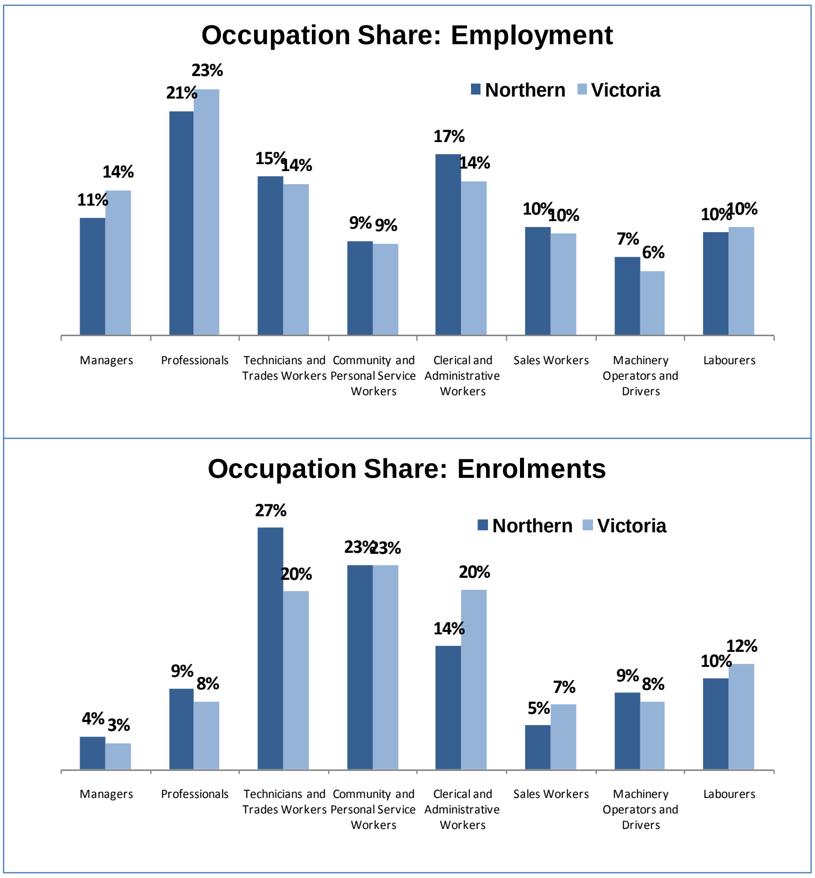
Occupations

Common to most Victorian regions, professionals and clerical and administrative workers are the largest occupational groups in Northern Melbourne. When compared with the employment profile of Victoria, the region has a higher proportion of clerical and administrative workers. Managers and professionals are relatively less represented in the region's workforce. Other occupational groupings are largely consistent with the average employment distribution for Victoria.

When comparing occupational course enrolments with the average across Victoria:

- Proportion of enrolments relating to managers, technicians and trades workers and machinery operators is higher than the State average, in line with the region's employment profile.
- Course enrolments linked to labourers are proportionally lower in Northern Melbourne – in line with their employment profile in region.
- Enrolments linked to clerical and administrative workers are not in line with their employment profile, and are below the average for Victoria, despite an above average share of regional employment.

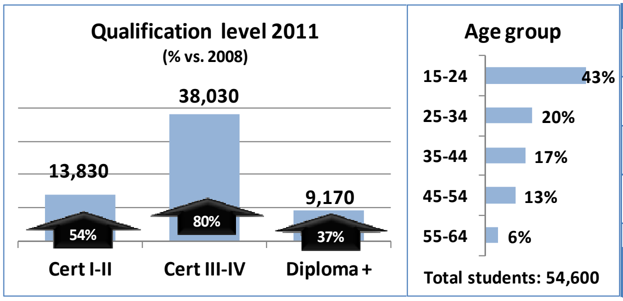
Figure 6.49: Occupation share



Qualifications

Northern Melbourne's strong enrolment growth in higher level qualifications (80 per cent for Cert III–IV and 37 per cent for Diploma and above), combined with a high proportion of young students aged 15-24, indicates the training system is providing a strong pipeline of skilled workers to meet the forecast requirement for a more highly skilled workforce in the region.

Figure 6.50: Government funded training



Top qualifications	2011
Certificate I in General Education for Adults	2,548
Certificate III in Children's Services	1,851
Certificate III in Automotive Mechanical Technology	1,601
Certificate III in Process Manufacturing	1,381
Certificate II in Retail	1,364
These 5 courses accounted for 13% of all government funded training in the region	

7. Industry Training Profiles

Introduction

Presented in this section are 19 industry training profiles. They combine industry intelligence and economic analysis with training data to build a more complete picture of the relationship between industry skills needs, employment opportunities and skills training.

The table below shows training in government funded qualifications, sorted highest to lowest by 2011 enrolments (excludes Foundation training). Rank by industry share of employment (Victoria), and equivalent 2008 ranks are also displayed.

Analysis of 2011 data shows a high correlation between share of employment and share of training delivery in Victoria's largest industries:

- 49 per cent of training was delivered in the 5 highest employing Victorian industry sectors, which account for 51 per cent of all Victorian jobs. Due to the cross-industry nature of training in the 'Administrative and Support Services' industry sector the training proportion against these top industries is likely to be higher.
- 25 per cent of training was delivered to four industries in transition which require significant structural adjustment to retain their level of economic contribution to the Victorian economy: Manufacturing; Electricity, Gas, Water and Waste Services; Agriculture, Forestry and Fishing; and Health Care and Social Assistance.

Table 7.1: Employment and industry-specific training: 2011 vs. 2008

ANZSIC Industry	2011 Enrolments		Training rank		Employment rank	
	No.	Share	2011 ↓	2008	2011	2008
Administrative and Support Services*	61,200	13.8%	**1**	1	13	13
Health Care and Social Assistance	60,800	13.7%	**2**	3	**1**	3
Construction	51,300	11.6%	**3**	2	**4**	4
Professional, Scientific and Technical Service*	36,700	8.3%	**4**	6	**5**	5
Accommodation and Food Services	35,500	8.0%	**5**	5	7	7
Manufacturing	35,500	8.0%	**6**	4	**3**	1
Retail Trade	31,700	7.2%	**7**	7	**2**	2
Transport, Postal and Warehousing	28,100	6.3%	**8**	11	8	9
Arts and Recreation Services	26,100	5.9%	**9**	9	16	16
Other Services	21,900	4.9%	**10**	8	12	11
Financial and Insurance Services	14,200	3.2%	**11**	12	10	12
Agriculture, Forestry and Fishing	13,700	3.1%	**12**	10	14	14
Education and Training	9,700	2.2%	**13**	13	6	6
Public Administration and Safety	9,000	2.0%	**14**	14	9	10
Information Media and Telecommunications	4,500	1.0%	**15**	15	15	15
Rental, Hiring and Real Estate Services	1,600	0.4%	**16**	16	17	17
Electricity, Gas, Water and Waste Services	800	0.2%	**17**	17	18	18
Wholesale Trade	700	0.2%	**18**	18	11	8
Mining	300	0.1%	**19**	19	19	19
Total government funded Cert I+ excl. Foundation	**443,400**	**100.0%**	-	-	-	-

* Includes a large proportion of general, cross-industry training

Each of the 19 industry training profiles examines the following areas[19]

- Economic context including employment, economic output and business base; and current workforce breakdown by age group and qualification level
- Summary of training challenges gleaned from industry intelligence including structural changes and areas of skills shortage
- Overview of training performance 2011 compared to 2010, including a 'dashboard' of key measures
- Training breakdown of significant trends in specific occupations, qualifications or the demographic profile of students
- Provider analysis including shifts in market share, and key providers in the industry

Close analysis of training data at the industry level has highlighted the diversity of industry training requirements, including the requirement for concurrent or subsequent placement, registration or licensing; the relative importance of completed qualifications vs. 'sufficient skillsets'; the interrelation of trends in higher education; and the impact of regulatory change or industry-wide workplace planning initiatives.

Significant trends in industry sectors include:

- Health Care and Social Assistance is Victoria's largest employing industry with 11.5 per cent of all jobs. In 2011 13.7 per cent of training was delivered to this industry. This sets Victoria up well to meet current and projected skills shortages in this industry, which is anticipated to grow by 60,800 jobs by 2018.
- In the industry group Education and Training the overwhelming majority of employees (64 per cent) are higher-education qualified, which explains why the 6th largest employer in Victoria (with 7.7 per cent of all jobs) only represents 2.2 per cent of vocational training. Enrolments in this sector are predominantly in workplace training and assessment.
- The industry Administrative and Support Services (and to a lesser extent Professional, Scientific and Technical Services) is unique in that qualifications in this industry – such as management or laboratory skills – are deployed across the range of industries, from hospitality to Agriculture. As such the apparently disproportionate share of training in this industry (13.8 per cent) vs. the relatively small employment share (3.6 per cent) is anticipated. These general qualifications have become increasingly popular as an alternative to occupation-specific training across a range of industries. The high proportion of these qualifications which receive apprenticeship / traineeship funding (22 per cent of enrolments in 2011) demonstrates their strong employment outcomes.
- Manufacturing training has dropped from the 4th to the 6th largest industry by training (while still increasing by over 6,000 enrolments). However, this includes significant *increases* in training in competitive/lean manufacturing processes.

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[19] Australian and New Zealand Standard Industrial Classification 2006 (ABS cat no. 1292.0), p. 15. To produce these industry profiles the classification of qualifications against industry and occupational outcomes have been updated in consultation with Victorian industry and training advisory bodies to provide a significantly improved understanding the ways in which VET training meets industry needs[19]. This update is based on the principle of 'real-world organisation of units' used by the ABS in its ANZSIC industry classifications: *[I] Industry classes should reflect the way activities are actually organised in the real world. This ensures that industry classes reflect realistic and recognisable segments for statistical collections.*

The table at the end of this section is designed as a reference document, and contains the specific values which are in many cases not repeated in the written analysis:

- Economic significance to Victoria (forecast share of employment and economic output) 2011 and 2018
  Note that the forecast average growth 2011-2018 across all industries in Victoria is 10 per cent employment and 21 per cent economic output (constant prices)
- Government funded enrolments 2008-2011 and year-to-year % change
- Training market share by provider type, 2011
- % training against occupations in shortage in Victoria
- % training Diploma level and above
- % training receiving apprenticeship / traineeship funding

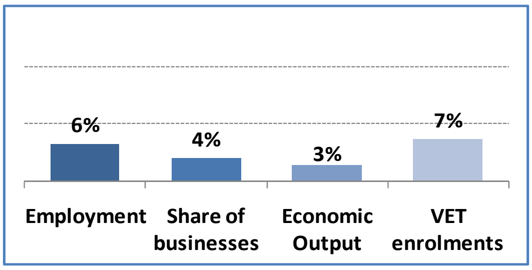
Summary data: All industries

Table 7.2: Summary of economic and training market data by ANZSIC industry divisions

Industry (ANZSIC code)	Economic significance to Victoria, 2011 & 2018		Gov't funded enrolments & year-on-year change, 2008-2011				Training market share by provider type, 2011			% of Gov't funded training by various categories, 2011		
	% share employment	% share economy	2008	2009	2010	2011	ACE	Private	TAFE	% Occs in shortage	% Dip+	% Apprent / Trainee
Accommodation and Food Services (H)	2011: 6.4% 2018: 6.5%	2011: 2.7% 2018: 2.5%	25,163	29,857 18.7%	29,043 -2.7%	35,489 22.2%	3,110 8.8%	18,716 52.7%	13,663 38.5%	23%	11%	36%
Administrative and Support Services (N)	2011: 3.6% 2018: 3.7%	2011: 3.2% 2018: 3.4%	41,027	35,291 -14.0%	40,863 15.8%	61,246 49.9%	3,544 5.8%	38,512 62.9%	19,190 31.3%	0%	4%	22%
Agriculture, Forestry and Fishing (A)	2011: 2.8% 2018: 2.5%	2011: 2.7% 2018: 2.5%	11,841	11,141 -5.9%	12,196 9.5%	13,738 12.6%	723 5.3%	3,354 24.4%	9,661 70.3%	5%	16%	15%
Arts and Recreation Services (R)	2011: 2.1% 2018: 2.1%	2011: 1.5% 2018: 1.5%	12,017	13,520 12.5%	17,384 28.6%	26,142 50.4%	793 3.0%	13,900 53.2%	11,449 43.8%	0%	23%	13%
Construction (E)	2011: 9.0% 2018: 8.9%	2011: 7.9% 2018: 8.5%	35,462	36,550 3.1%	46,249 26.5%	51,347 11%	304 0.6%	10,932 21.3%	40,111 78.1%	65%	10%	53%
Education and Training (P)	2011: 7.7% 2018: 8.4%	2011: 5.3% 2018: 5.3%	6,508	7,864 20.8%	8,443 7.4%	9,686 14.7%	1,168 12.1%	4,540 46.9%	3,978 41.1%	64%	8%	3%
Electricity, Gas, Water and Waste Services (D)	2011: 1.2% 2018: 1.1%	2011: 2.6% 2018: 2.3%	586	530 -9.6%	642 21.1%	796 24.0%	0 0.0%	135 17.0%	661 83.0%	77%	17%	58%
Financial and Insurance Services (K)	2011: 4.2% 2018: 4.2%	2011: 12.8% 2018: 13.3%	7,048	7,369 4.6%	7,724 4.8%	14,226 84.2%	49 0.3%	8,141 57.2%	6,036 42.4%	18%	32%	5%
Health Care and Social Assistance (Q)	2011: 11.5% 2018: 12.4%	2011: 6.4% 2018: 6.8%	29,609	35,683 20.5%	45,417 27.3%	60,756 33.8%	7,924 13.0%	28,614 47.1%	24,218 39.9%	87%	33%	13%
Information Media and Telecommunications (J)	2011: 2.1% 2018: 2.2%	2011: 2.8% 2018: 2.9%	4,110	4,455 8.4%	4,609 3.5%	4,517 -2.0%	79 1.7%	178 3.9%	4,260 94.3%	13%	40%	4%
Manufacturing (C)	2011: 10.8% 2018: 8.4%	2011: 11.2% 2018: 9.1%	29,270	25,553 -12.8%	28,885 13.1%	35,481 22.8%	223 0.6%	15,050 42.4%	20,208 57.0%	31%	12%	49%
Mining (B)	2011: 0.4% 2018: 0.6%	2011: 1.9% 2018: 1.8%	386	367 -4.9%	316 -13.9%	276 -12.7%	0 0.0%	6 2.2%	270 97.8%	0%	4%	6%
Other Services (S)	2011: 3.9% 2018: 3.9%	2011: 2.6% 2018: 2.6%	14,459	15,449 6.8%	20,148 30.4%	21,871 8.6%	798 3.6%	7,901 36.1%	13,172 60.2%	25%	13%	41%
Professional, Scientific and Technical Services (M)	2011: 8.0% 2018: 8.7%	2011: 8.7% 2018: 9.6%	23,451	24,462 4.3%	28,420 16.2%	36,704 29.1%	468 1.3%	16,463 44.9%	19,773 53.9%	0%	79%	17%
Public Administration and Safety (O)	2011: 4.7% 2018: 4.5%	2011: 4.4% 2018: 4.3%	4,167	3,603 -13.5%	5,800 61.0%	8,964 54.6%	33 0.4%	6,082 67.8%	2,849 31.8%	0%	11%	1%
Rental, Hiring and Real Estate Services (L)	2011: 1.5% 2018: 1.5%	2011: 7.7% 2018: 7.9%	617	660 7.0%	996 50.9%	1,552 55.8%	0 0.0%	562 36.2%	990 63.8%	0%	2%	24%
Retail Trade (G)	2011: 11.3% 2018: 10.9%	2011: 4.8% 2018: 4.6%	18,472	17,310 -6.3%	21,932 26.7%	31,735 44.7%	1,580 5.0%	23,609 74.4%	6,546 20.6%	0%	4%	60%
Transport, Postal and Warehousing (I)	2011: 4.9% 2018: 4.8%	2011: 5.0% 2018: 4.8%	11,302	15,046 33.1%	17,187 14.2%	28,149 63.8%	416 1.5%	16,431 58.4%	11,302 40.2%	20%	2%	18%
Wholesale Trade (F)	2011: 3.9% 2018: 4.7%	2011: 5.9% 2018: 6.5%	498	254 -49.0%	385 51.6%	740 92.2%	5 0.7%	570 77.0%	165 22.3%	0%	0%	76%

Accommodation and Food Services (H)

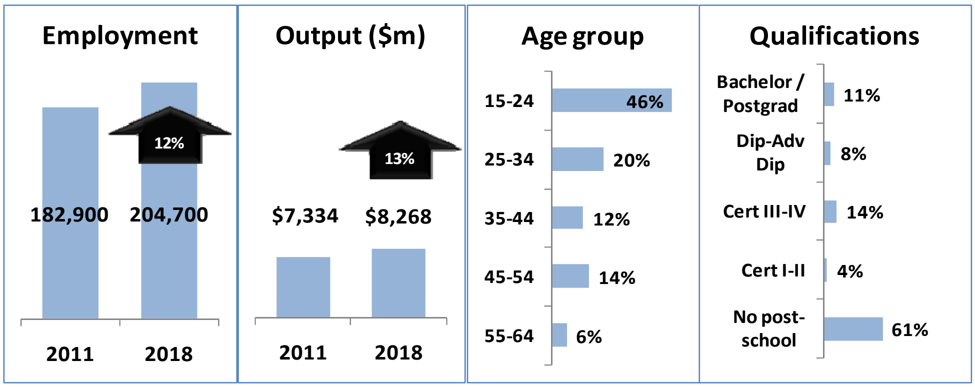
Figure 7.1: Industry share, 2011



Industry Overview

- The Accommodation and Food Services sector has the youngest workforce of all sectors in Victoria, with 46.2 per cent of workers in the 15-24 age group category, and only 6.9 per cent aged 55 or older.
- Based on national figures, it is also the sector that is likely to have the least qualified workforce, with 60.7 per cent of workers holding no post-school qualification.
- Across Victoria, the sector employs 182,900 people – 57.5 per cent of which are part-time, and contributes $7.3 billion to Victoria's economy (2.7 per cent of total output).
- Employment is forecast to grow by 21,800 to 2018, with 97 per cent of this growth forecast in Food and Beverages Services.

Figure 7.2: Forecasts to 2018 and 2011 current workforce age & qualifications



Key training challenges for the industry

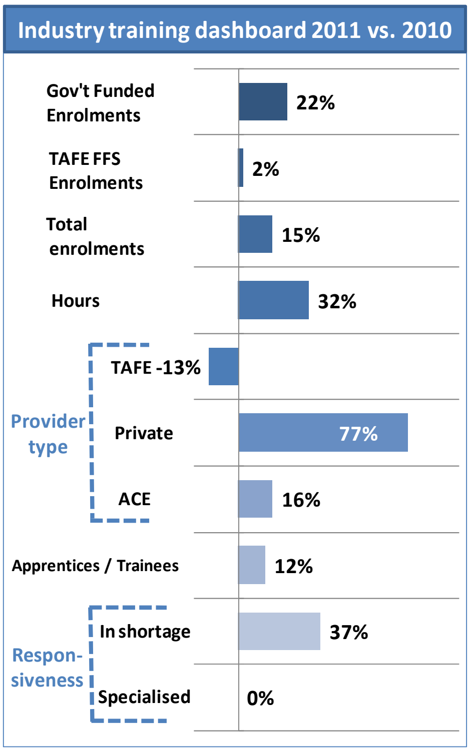
- Address identified skills shortages in the following occupations: Café or Restaurant Manager; Chef and Pastry Cook.

Figure 7.3: Industry training comparisons

	2008	2009	2010	2011
Accommodation and Food Services	25,163	29,857	29,043	35,489
Year-on-year % change		18.7	-2.7	22.2
% change across all industries		*-1.2*	*13.3*	*28.7*

Training Delivery Overview

- There were 35,489 government funded enrolments in Accommodation and Food Services in 2011, an increase of 22 per cent from 2010.
- 8,007 VET government funded enrolments were in occupations identified as being in shortage (29 per cent), an increase of 37 per cent from 2010. In 2011 these enrolments were in training against the occupations Chef (861), Pastrycook (817), and Café or Restaurant Manager (6,329). This hospitality management training at Cert IV and Diploma level trains students in leadership, ordering, stock control and other supervisory and management functions.

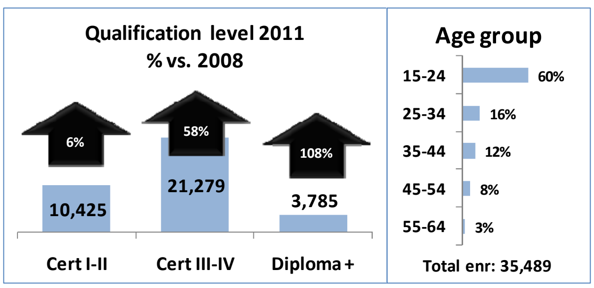


- Key qualifications to experience a growth in enrolments during 2010-11 included the Advanced Diploma of Hospitality (up by 59 per cent or 410 enrolments) and Cert IV in Hospitality - Patisserie (up by 61 per cent or 126 enrolments).

Training Breakdown

- Younger people aged 15-24 years account for more than 60 per cent of enrolments at Cert I-II and Cert III-IV (61 per cent and 63 per cent), but considerably fewer enrolments at Diploma level (37 per cent).
- Combining part-time employment with training is relatively commonplace, with 44 per cent of training undertaken by part-time employees.

Figure 7.4: Government funded enrolments



- While females comprise slightly more than half of all enrolments in the industry (53 per cent), they account for a higher proportion of enrolments in Pastry Cook training (78 per cent). In contrast, males account for a higher proportion of enrolments in Chef training (62 per cent).

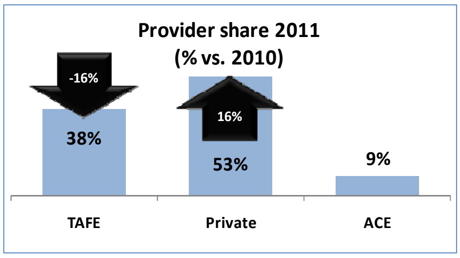
Top qualifications	2011
Certificate III in Hospitality	12,362
Certificate II in Hospitality	6,563
Certificate III in Hospitality (Commercial Cookery)	4,132
Certificate II in Hospitality (Kitchen Operations)	3,363
Diploma of Hospitality	2,670
These 5 courses accounted for 82% of all government funded Accomodation and Food Services training	

- Enrolments in Cert III-IV qualifications currently account for 60 per cent of enrolments in the industry, having increased by 32 per cent during 2010-2011.
- While Cert I-II qualifications experienced modest growth of 5 per cent during 2010-2011, they have declined as a share of all enrolments (29 per cent in 2011, compared with 34 per cent in 2010).

Training Providers

- In 2011, TAFE institutes accounted for 38 per cent of enrolments, private RTOs 53 per cent and ACE providers 9 per cent.

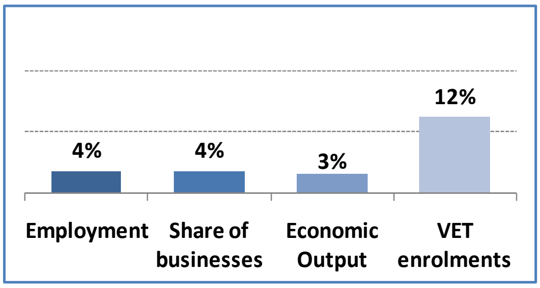
Figure 7.5: Training provider share of enrolments



Note: all enrolment figures relate to VET government funded training only, unless otherwise stated.

Administrative and Support Services (N)

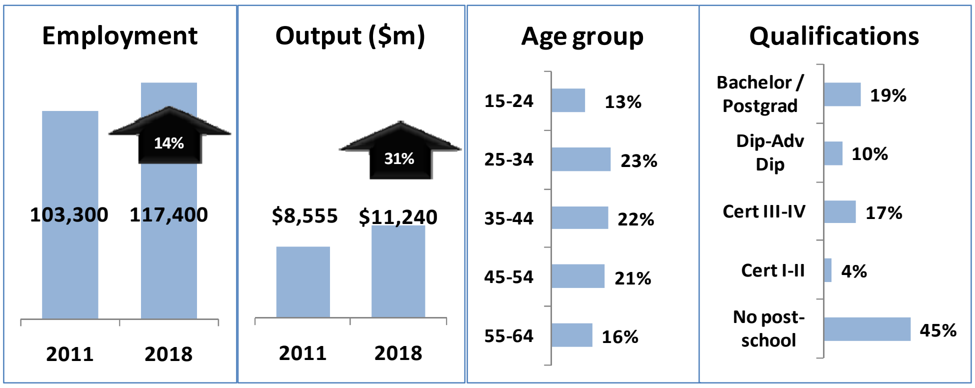
Figure 7.6: Industry share, 2011



Industry Overview

- The Administrative and Support Services sector employs 103,300 people across Victoria (3.6 per cent of the workforce).
- If current trends persist, 41 per cent of the 14,100 new jobs that the sector could create by 2018 will be part-time. Much of this (73 per cent) will be driven by growth in Employment Services.
- The sector currently contributes $8.55 billion to the State economy (3.2 per cent) with 21.5 per cent of workers aged 55 or over (average across all sectors is 16.7 per cent).

Figure 7.7: Forecasts to 2018 and 2011 current workforce age & qualifications



Key challenges for the training market

- Although there are no identified skills shortage occupations within this industry, it includes a significant proportion of training in 'support' occupations such as clerical and trainee management positions, with graduates deployed across all industries.
- The tourism ANZSIC sub-industry ‘722 Travel Agency and Tour Arrangement Services' within this industry grouping is undergoing fluctuating industry conditions due to international financial and resource instability.

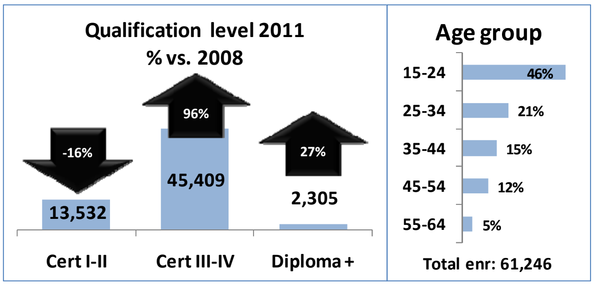
Training Delivery Overview

- Enrolments are up by 49.9 per cent, to 61,200 in 2011.
- Year-on-year rise in proportion of courses supporting General Clerk and Office Manager related occupations, accounting for 56.8 per cent of enrolments in this sector in 2011.
- Year-on-year rise in proportion of qualifications at Cert III-IV level; 74.1 per cent of all enrolments at this level in 2011, from 56.4 per cent in 2008.

Figure 7.8: Industry training comparisons

	2008	2009	2010	2011
Administrative and Support Services	41,027	35,291	40,863	61,246
Year-on-year % change		-14.0	15.8	49.9
% change across all industries		*-1.2*	*13.3*	*28.7*

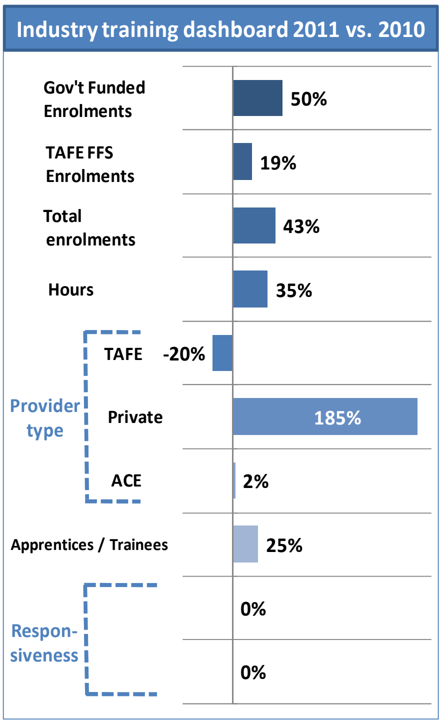
Figure 7.9: Government funded enrolments



Training Breakdown

- The largest number of enrolments in 2011 were Cert II-IV training in general Business / Business Administration qualifications from the Business Services training package. Training in these courses increased by 15,200 enrolments to 31,000 in 2011. The Cert IV in Business Administration alone increased by 9,000 enrolments.
- Call or Contact Centre Team Leaders/Operators now account for 17.1 per cent of enrolments.

- Females represent 63.3 per cent of enrolments. Males only significantly outnumber females in IT, Asset Maintenance, Business Sales, International Trade and Small Business Management.



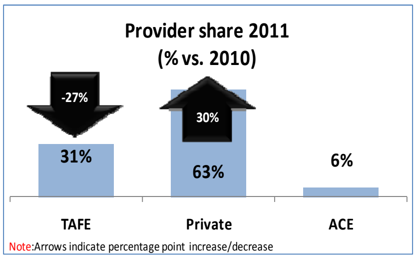
Top qualifications	2011
Certificate IV in Business Administration	11,719
Certificate III in Business	6,016
Certificate III in Customer Contact	5,610
Certificate III in Business Administration	5,340
Certificate II in Business	5,324
These 5 courses accounted for 56% of all government funded Administrative and Support Services training	

Training Providers

- The ratio of TAFE to private RTO enrolments has reversed over past four years with TAFE now accounting for 31.3 per cent of enrolments and private RTOs 62.9 per cent.
- ACE market share provision decreased from 11 per cent in 2008 to 5.8 per cent in 2011.

- There were 15,200 enrolments in fee-for-service provision in 2011, an increase of 2,400, primarily in Business / Frontline Management training.

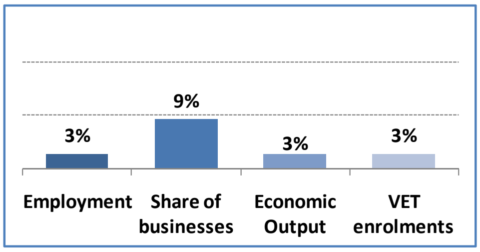
Figure 7.10: Training provider share of enrolments



Note: all enrolment figures relate to VET government funded training only, unless otherwise stated.

Agriculture, Forestry and Fishing (A)

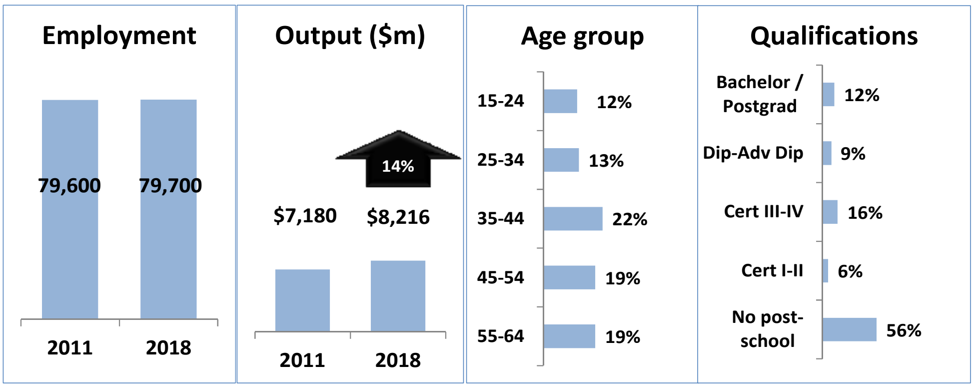
Figure 7.11: Industry share, 2011



Industry Overview

- Currently employing 2.8 per cent of Victoria's workforce (79,600 people), the Agricultural sector contributes nearly $7.2 billion (2.7 per cent) to the State economy each year.
- Forecasts to 2018 suggest employment across the sector overall will remain fairly static, but there may be a significant shift from livestock management towards dairy farming and fishing services.
- With over 48,000 businesses operating in the sector, it plays a particularly important role with regards to employment in Wimmera, Mallee and the Western District, and relies heavily on an older workforce, with 34.4 per cent of workers currently aged 55 or above (15 per cent aged 65 or above).

Figure 7.12: Forecasts to 2018 and 2011 current workforce age & qualifications



Key training challenges for the industry

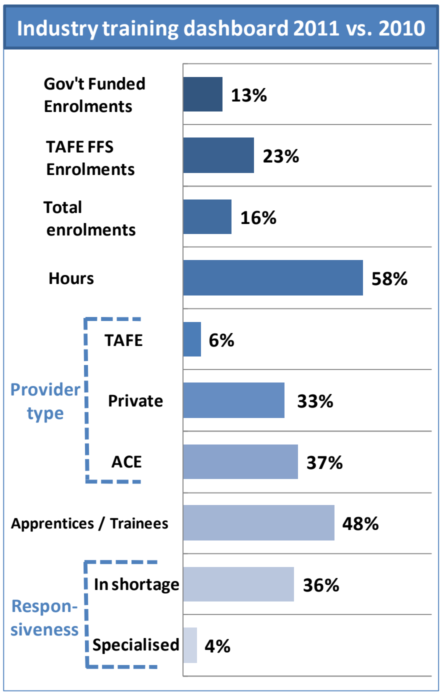
- Address identified skills shortages in the following occupations: Agricultural Consultant; Agricultural Scientist; Arborist; Farrier and Forester.

Figure 7.13: Industry training comparisons

	2008	2009	2010	2011
Agriculture, Forestry and Fishing	11,841	11,141	12,196	13,738
Year-on-year % change		-5.9	9.5	12.6
% change across all industries		*-1.2*	*13.3*	*28.7*

Training Delivery Overview

- Government funded enrolments increased by 13 per cent between 2010 and 2011 with 13,738 enrolments in courses related to the Agriculture, Forestry and Fishing sector in 2011.

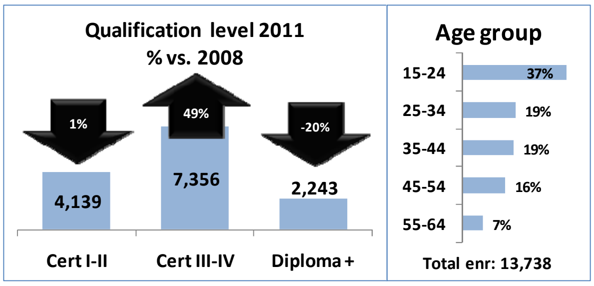


- In 2011, enrolments in areas identified as having skills shortages comprised 6 per cent of total enrolments, up from 5 per cent in 2010. Of these, the majority of enrolments (71 per cent) were in Cert III in Horticulture (Arboriculture) and Diploma in Production Horticulture.
- Enrolments in Agronomy at Diploma level accounted for 11 per cent of enrolments in occupations identified as experiencing skills shortages in 2011.

Training Breakdown

- More than one third of training was undertaken by full-time employees (36 per cent), increasing to 57 per cent for training in skills shortage occupations. This suggests that some of the growth in enrolments in skills shortage occupations is due to the up-skilling or professional accreditation of those currently working in the industry.

Figure 7.14: Government funded enrolments



- More than one third of enrolments are in the 15-24 year age group (37 per cent); a further 38 per cent of enrolments are aged 25-44 years. The age profile of enrolments in skills shortage related areas tends to be older on average, with three quarters aged 25 and over.

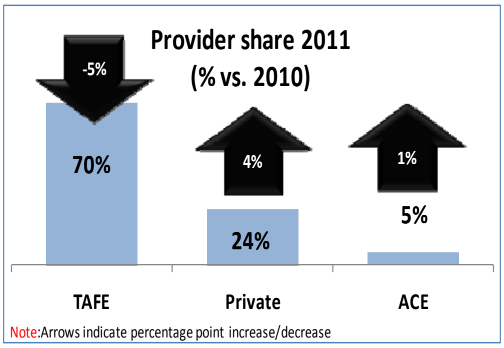
Top qualifications	2011
Certificate III in Agriculture	2,479
Certificate II in Agriculture	1,043
Certificate II in Horticulture	995
Certificate II in Conservation and Land Management	938
Certificate IV in Agriculture	804
These 5 courses accounted for 46% of all government funded Agriculture, Forestry and Fishing training	

- Males account for the majority of enrolments, and this appears to have increased over the past year (76 per cent in 2011, compared with 74 per cent in 2010).
- Cert III-IV qualifications make up half of all enrolments, up considerably from 40 per cent in 2010. Interestingly, females comprise 39 per cent of enrolments in Diploma level qualifications, but just 21 per cent of enrolments in Cert I-II qualifications.
- Training in Cert III in Agriculture comprised 18 per cent of government funded training in 2011 (2,479 enrolments). However, it should be noted that of the 4,816 enrolments in farm worker occupations approximately one quarter do not represent new trained employees.

Training Providers

- TAFE institutions are currently attracting 70 per cent of government funded enrolments, private RTOs account for 24 per cent of enrolments and ACE providers make up the remaining 5 per cent. The general trend appears to be that private RTOs are increasing their market share (up from 12.5 per cent in 2008).

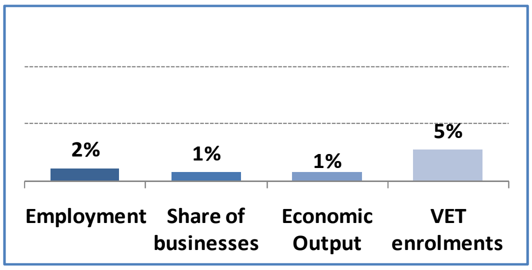
Figure 7.15: Training provider share of enrolments



Note: all enrolment figures relate to VET government funded training only, unless otherwise stated.

Arts and Recreation Services (R)

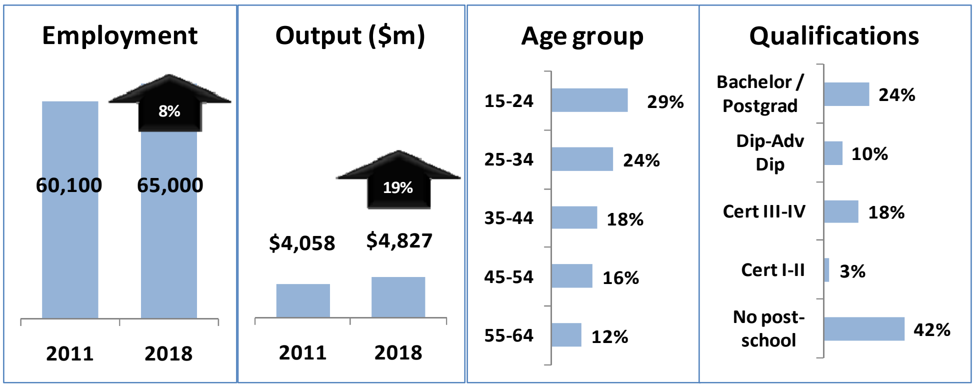
Figure 7.16: Industry share, 2011



Industry Overview

- The 60,100 Arts and Recreation Services employees in Victoria constitute 2.1 per cent of the total workforce, and contribute $4.1 billion (1.5 per cent) to the State's overall economy.
- Of the 4,900 jobs forecast to be added to the sector by 2018, 2,600 of these may come from Gambling Activities, which could mask losses in Sports. Sports-related employment increased by 42 per cent (7,000 jobs) between 2008 and 2011 but is predicted to decrease 9 per cent (2,400 jobs) by 2018.
- The sector has a younger than average age profile of its workforce, with 29.4 per cent of workers under 24; a high proportion of employees working part-time (45.8 per cent) and 65.8 per cent of its 7,300 businesses run by sole traders.

Figure 7.17: Forecasts to 2018 and 2011 current workforce age & qualifications



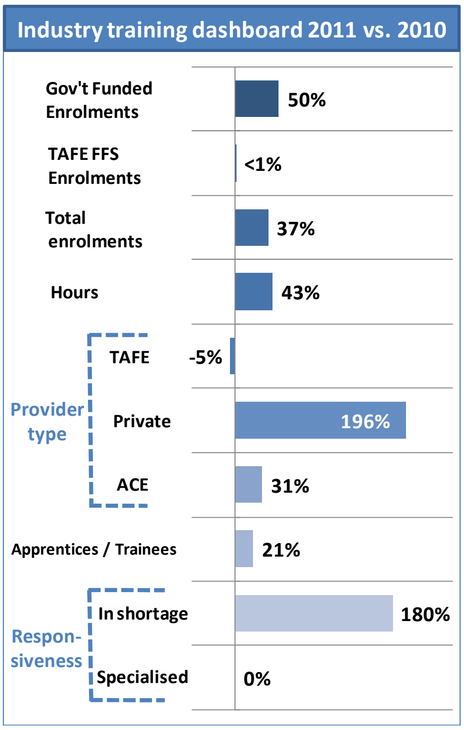
Key training challenges for the industry

- There are no identified skills shortage occupations in this industry.
- Two sub-major occupation groups within this industry (Sports & Personal Service Workers [ANZSCO 45] and a proportion of Arts & Media Professionals [ANZSCO 21]) have been classified by NCVER as of 'little vocational benefit'. Graduates from these occupations reported little vocational relevance of their qualification to their employment in these fields. However, Monash *CoPS* data reports 17 per cent growth (an additional 8,700 jobs) in industry 'Arts and Recreation Services' between 2008 and 2011, which included 42 per cent growth in sports-related occupations. However, employment in this industry is forecast to decline significantly to 2018, particularly in sports-related occupations (9 per cent decline).

Figure 7.18: Industry training comparisons

	2008	2009	2010	2011
Arts and Recreation Services	12,017	13,520	17,384	26,142
Year-on-year % change		12.5	28.6	50.4
% change across all industries		*-1.2*	*13.3*	*28.7*

- Cert III-IV accounted for 61 per cent of enrolments in 2011, up from 46 per cent in 2008 and 56 per cent in 2010. Diploma+ enrolments have decreased to 23 per cent from 38 per cent in 2008 and 32 per cent in 2010.



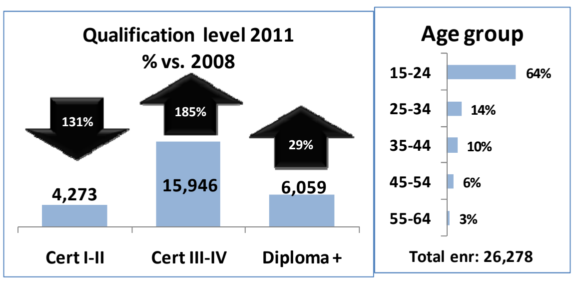
Training delivery Overview

- Government funded enrolments increased by 50 per cent between 2010 and 2011, with 26,150 enrolments in 2011.
- The most significant increases in Fitness Instructor related courses, which have grown from 812 government funded enrolments in 2008, to 4,155 in 2010, and to 9,485 in 2011. Other sports-related occupations have also shown strong recent growth.

Training Breakdown

- Year-on-year decline in female enrolments from 52.4 per cent of the total in 2009 to 41.6 per cent in 2011.
- Male dominated enrolments concentrate on Gardening, Green-keeping, Inquiry Clerks, Music Professionals, Outdoor Adventure Guides, Sports Development and Ticket Collectors/Ushers.
- Higher proportion than average of enrolments in the 15-24 age group (63.9 per cent of all enrolments); almost a third of students overall working part-time.
- Training in arts and craft professions decreased 10 per cent 2010 to 2011 from 2,652 to 2,384 enrolments.

Figure 7.19: Government funded enrolments

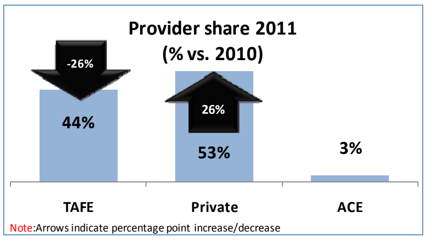


Top qualifications	2011
Certificate III in Fitness	4,640
Certificate IV in Fitness	3,868
Certificate II in Sport (Career-oriented participation)	1,721
Certificate III in Sport and Recreation	1,153
Diploma of Fitness	977
These 5 courses accounted for 47% of all government funded Arts and Recreation services training	

Training Providers

- Government funded enrolments made up 81 per cent of total reported enrolments in this industry in 2011, compared to 73 per cent in 2008 and 75 per cent in 2010.
- Private RTOs accounted for the largest share of enrolments in 2011 (53 per cent), up from 5 per cent in 2008 and 27 per cent in 2010. TAFEs accounted for 44 per cent in 2011, down from 89 per cent in 2008 and 69 per cent in 2010.

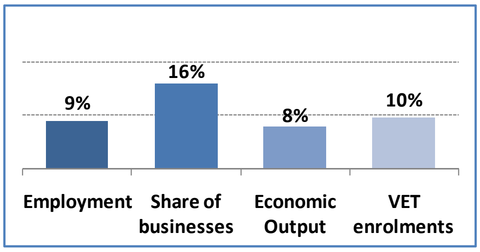
Figure 7.20: Training provider share of enrolments



Note: all enrolment figures relate to VET government funded training only, unless otherwise stated.

Construction (E)

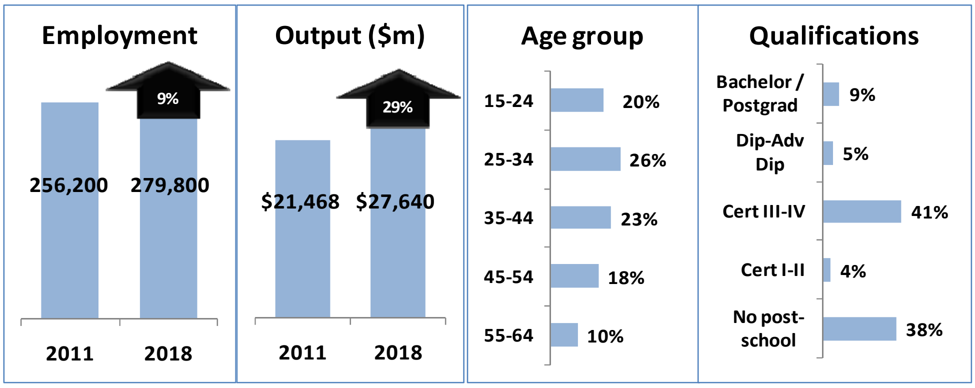
Figure 7.21: Industry share, 2011



Industry Overview

- Currently employing 9 per cent (256,200 people) of the Victorian workforce, the 82,300 Construction businesses are forecast to add an additional 23,600 jobs to the economy by 2018.
- The sector is responsible for 7.9 per cent of the State's industry output ($21.5 billion), and this is forecast to increase to 8.5 per cent by 2018. The positive impact on the supply chain of this is of significance.
- The sector has a younger than average age profile, with 46.5 per cent in the 15-34 age group. Its workforce is also far less likely to be qualified to a high level, but almost 41 per cent are qualified at Certificate III-IV level (national figure).

Figure 7.22: Forecasts to 2018 and 2011 current workforce age & qualifications



Key training challenges for the industry

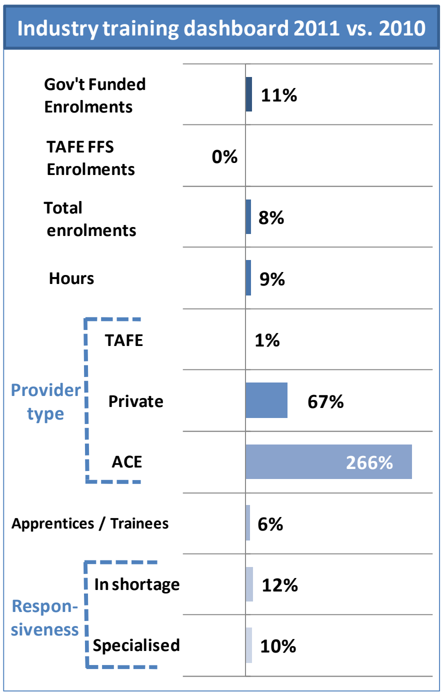
- Address identified skills shortages in the following occupations: Air-conditioning and Mechanical Services Plumber; Air-conditioning and Refrigeration Mechanic; Bricklayer; Building Associate; Building Inspector; Carpenter; Civil Engineering Draftsperson; Civil Engineering Technician; Construction Estimator; Electrical Engineering Technician; Electrician (General); Electronic Instrument Trades Worker (General) and (Special Class); Fibrous Plasterer; Floor Finisher; Gasfitter; Glazier; Joiner; Mechanical Engineering Technician; Plumber (General); Roof Tiler; Solid Plasterer; Wall and Floor Tiler.
- Address the lack of training for Construction Foreman roles.
- Ensure registering and licensing requirements met where required.

Figure 7.23: Industry training comparisons

	2008	2009	2010	2011
Construction	35,462	36,550	46,249	51,347
Year-on-year % change		3.1	26.5	11.0
% change across all industries		*-1.2*	*13.3*	*28.7*

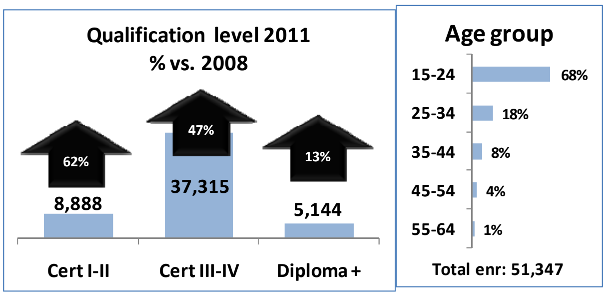
Training Delivery Overview

- In 2011, Construction related courses accounted for 51,347 enrolments (including enrolments in Construction related occupations in the Professional Services sector) - a 44.8 per cent increase since 2008 and 11 per cent since 2010.



- In 2011, 17 per cent of enrolments were in Carpentry, 15 per cent Electrical, and 14 per cent Plumbing – each of which are occupations with skills shortages.
- In 2011, 65 per cent of all government funded enrolments in this industry were in areas of skills shortage.
- Significantly, 53 per cent of 2011 enrolments were Apprenticeships – predominantly in the three occupations specified above.
- There have been large increases in the past year in the uptake of courses relating to Building Associates, Civil Engineering Technicians (driven by Cert III in Civil Construction training by provider Civil Train Victoria), Earthmoving Plant Operators and Labourers, Plumbers and Painting Trades Workers.
- Enrolments in private RTOS increased sharply during 2010-2011. While ACE providers experienced a sharp increase in enrolments, they account for a relatively small number of enrolments overall (304 enrolments or 1 per cent of all enrolments in 2011).

Figure 7.24: Government funded enrolments



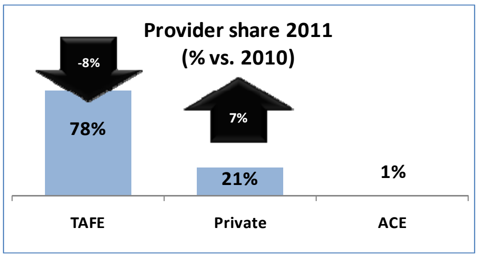
Training Breakdown

- Females accounted for 4.3 per cent of all 2011 enrolments. Occupations attracting 100+ female enrolments on courses include Interior Decorators, Builders Labourer, Builder's Associate, Earth Moving Plant Operator and General Electricians.

Top qualifications	2011
Certificate III in Carpentry	5,998
Certificate III in Plumbing	5,601
Certificate III in Electrotechnology Electrician	5,149
Certificate II in Building and Construction (Bricklaying, Carpentry, Painting and Decorating, Wall and Ceiling Lining, Wall and Floor Tiling and Solid Plastering) -	3,332
Certificate III in Civil Construction Plant Operations	2,646
These 5 courses accounted for 44% of all government funded Construction training	

- Nearly three-quarters (72.7 per cent) of overall enrolments are at Cert III-IV level. Nearly three-quarters (72.4 per cent) of enrolments at Diploma+ level are in occupations that are Construction related, but that sit within the Professional Services sector.
- The 15-24 age cohort accounts for 68.4 per cent of enrolments. The only significant exception to this is in the Earth Moving Plant Operator occupation, where this age group accounts for only 30.8 per cent of enrolments.
- For Construction related occupations in the Professional Services sector, the age profile of enrolments is spread much more evenly across all age cohorts.
- Each of the 'in shortage' occupation areas has reported increases in enrolments between 2010 and 2011 with the exception of: Electricians (2 per cent decrease, following an 18 per cent increase between 2008 and 2010); Fibrous Plasterers (14 per cent decrease, following a 45 per cent increase 2008 to 2010); and small decreases in training for Glaziers and Floor Finishers.
- Decreases in training specifically coded to Joiners and Gasfitters has been more than offset by large increases in this training in more broadly coded courses in Carpentry and in Plumbing.

Figure 7.25: Training provider share of enrolments



Training Providers

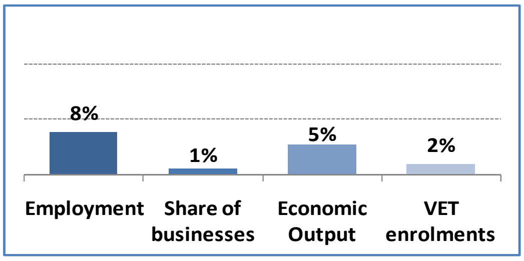
- VET government funded training now accounts for 75.4 per cent of all Construction related training (down from 82.8 per cent in 2008).
- Fee-for-service covers 51.3 per cent of Building Labourer courses, mainly Cert I in Construction and Cert II in Building and Construction.

Note that Construction includes training delivery against the following occupations which are classified within the ANZSIC industry 'Professional, Scientific and Technical Services' (M) but deliver services to the Construction industry: Architectural Draftsperson; Building Associate; Building Inspector; Civil Engineering Draftsperson; Electrical Engineering Technician; Electronic Engineering Technician; Interior Decorator; Landscape Gardener. This represents 8 per cent of the total government funded delivery in this industry.

Note: all enrolment figures relate to VET government funded training only, unless otherwise stated.

Education and Training (P)

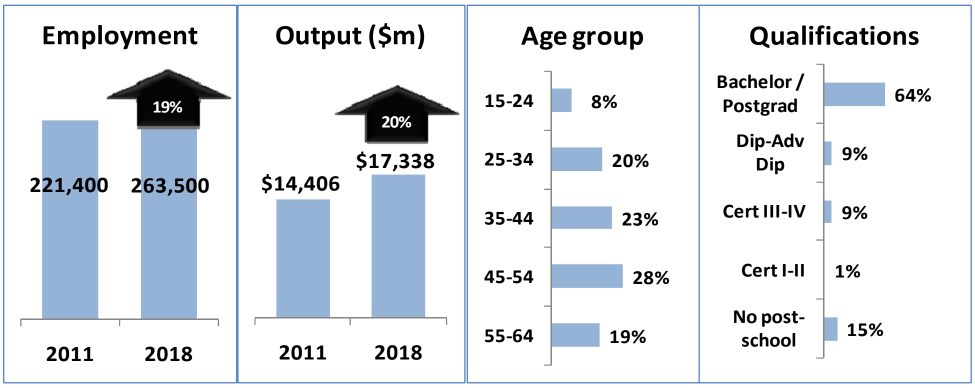
Figure 7.26: Industry share, 2011



Industry Overview

- Of the 221,400 people working in the Education and Training sector across Victoria (7.7 per cent of Victoria's total workforce); a very high proportion (64 per cent) are qualified to Degree of above (national figures), 37.1 per cent work part-time (compared to 30.3 per cent on average) and 48.8 per cent are aged 45 or older.
- Forecasts to 2018 estimate that an additional 42,100 jobs could be created in this sector, over half of which will come from School Education (22,100). The sector is of particular importance to the Central Highlands, where it currently employs 9.1 per cent of the workforce.
- Currently worth $14.4 billion to the State economy (5.3 per cent), the sector has a productivity per worker rate that is 7.1 per cent higher than the national average.

Figure 7.27: Forecasts to 2018 and 2011 current workforce age & qualifications



Key training challenges for the industry

- Address identified skills shortages in Vocational Education Teachers. Specifically, industry intelligence suggests a shortage of qualified trade instructors in industries including Electrotechnology, Automotive and Construction.

Training Delivery Overview

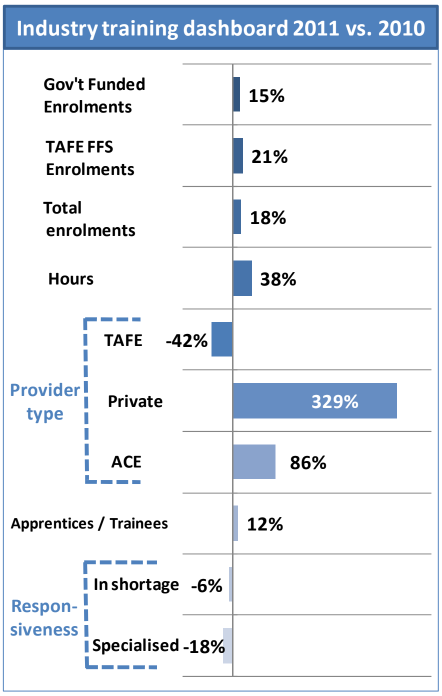
- Enrolments increased 15 per cent between 2010 and 2011, to 9,686 of which 93.5 per cent are at Cert III-IV level.

Figure 7.28: Industry training comparisons

	2008	2009	2010	2011
Education and Training	6,508	7,864	8,443	9,686
Year-on-year % change		20.8	7.4	14.7
% change across all industries		*-1.2*	*13.3*	*28.7*

- Training against the occupation Teacher's Aides increased 75 per cent from 763 enrolments in 2010 to 1,334 in 2011.

Skills shortage occupations currently account for 64.6 per cent of all enrolments. In 2011, all of these were in courses relating to Vocation Education Teaching, with the majority of training concentrated around Cert IV in Assessment and Workplace Training. Unfortunately available data does not make it possible to distinguish vocational instruction training by trade-qualified instructors.

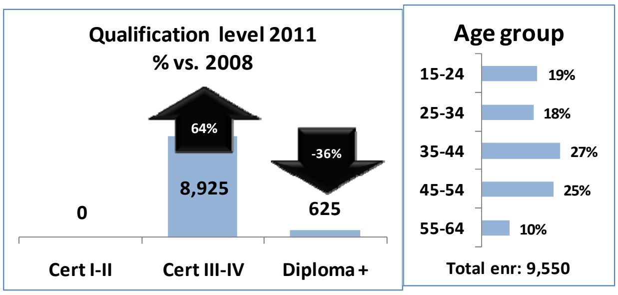


- Training in Adventure-Based Experiential Learning (ABEL) through the Cert IV and Diploma of Outdoor Recreation trebled in size between 2010 and 2011 to almost 1,700 enrolments. However, industry intelligence and review of the specific modules being taught suggests that most of this training will result in graduates who will not have the specialist technical skills (including deep water rescue and high ropes instruction) required to work in these roles.

Training Breakdown

- Over half of enrolments (52.3 per cent) are from the 35-54 age group (compared to 27.9 per cent across all industry sectors); two-thirds are either full or part-time employed.

Figure 7.29: Government funded enrolments



Top qualifications	2011
Certificate IV in Training and Assessment	5,656
Certificate IV in Outdoor Recreation	1,553
Certificate III in Education Support	1,048
Diploma of Vocational Education and Training Practice	304
Certificate IV in Transport and Logistics (Road Transport - Car Driving Instruction)	254
These 5 courses accounted for 91% of all government funded Education and Training training	

- Decline in proportion of Diploma+ enrolments over past three years; down to 6.5 per cent in 2011 (from 23.3 per cent in 2009). Vocational Education Teaching occupation now accounts for 80.8 per cent of all Diploma+ enrolments.

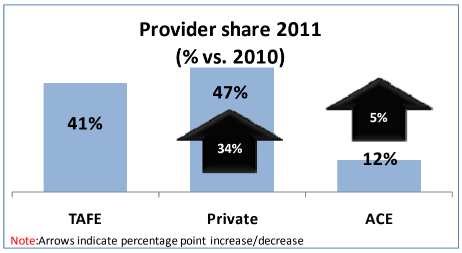
- Year-on-year decrease of 44 per cent in Driving Instructor related enrolments from 471 in 2010 to 265 in 2011, which have not been balanced by any increase in fee-for-service provision.
- There was a high number of fee-for-service enrolments in this industry in 2011, the majority being 8,421 enrolments in Vocational Education instruction training.

Training Providers

- TAFE now accounts for 40.4 per cent of government funded enrolments in 2011, compared to 80.9 per cent in 2008.

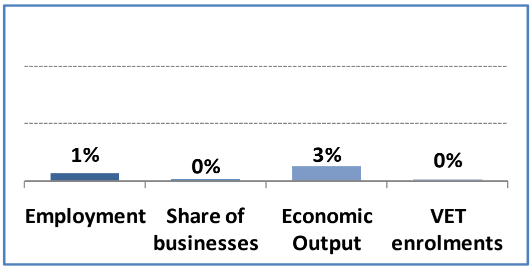
Note: all enrolment figures relate to VET government funded training only, unless otherwise stated.

Figure 7.30: Training provider share of enrolments



Electricity, Gas, Water and Waste Services (D)

Figure 7.31: Industry share, 2011

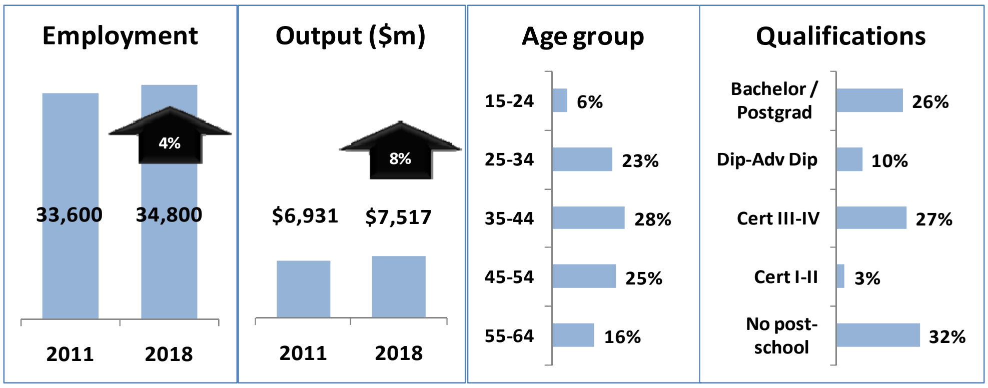


Industry Overview

- Victoria’s 33,600 Utilities workers were responsible for 2.6 per cent of Victoria’s economic output ($6.9 billion) in 2010-11, and deliver productivity per worker rates 16.9 per cent higher than the national average for the sector.

- The sector’s 1,436 businesses employ an older than average age profile of workers, and is of greater than average importance to Gippsland, where 4.4 per cent of the workforce is employed by this industry.
- Forecasts to 2018 suggest that the sector may add a discrete number of jobs to the economy (1,200), but re-alignment of employment following the proposed Hazelwood site closure may well cause localised skills and employment shortages.

Figure 7.32: Forecasts to 2018 and 2011 current workforce age & qualifications

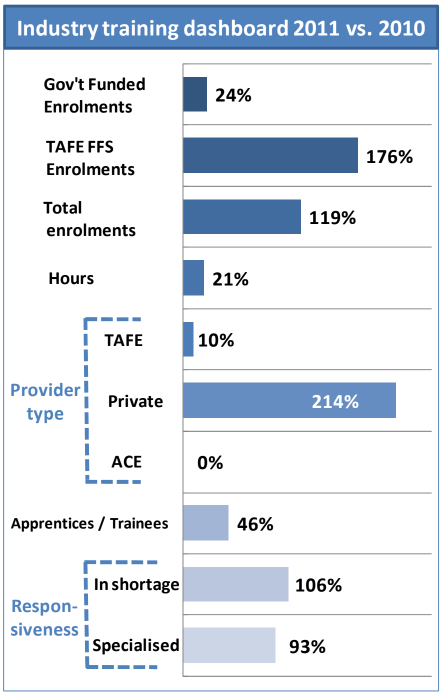


Key training challenges for the industry

- Address identified skills shortages in the following occupations: Electrical Engineering Technician; Electrical Lines-worker; Gasfitter; Recycling or Rubbish Collector. In addition to several of these, the occupations Aeroplane Pilot, Air Transport Professionals (not elsewhere classified) and Ship's Officer are on the Skills Australia list of specialised occupations.
- Large utility providers often rely upon existing trained staff for specialist skills, leaving a vacuum of 'next rung' staff, particularly in the power generation industry.
- Industry intelligence stresses the importance of supervised, logged experience and subsequent licensing for the power generation (power stations), transmission (high-voltage powerlines) and training providers.

Figure 7.33: Industry training comparisons

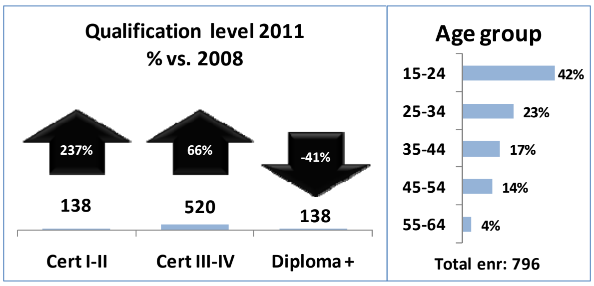
	2008	2009	2010	2011
Electricity, Gas, Water and Waste Services	586	530	642	796
Year-on-year % change		-9.6	21.1	24.0
% change across all industries		*-1.2*	*13.3*	*28.7*



Training Delivery Overview

- VET government funded enrolments remain comparatively low in this industry given the importance of higher education training for many roles. However, enrolments increased 24 per cent to 796 between 2010 and 2011.
- Training in identified skills shortage areas comprised 77 per cent of government funded training, compared to 47 per cent in 2010.
- Training against the occupation Electrical Lines-worker – an occupation with reported skills shortages – accounted for over half of all enrolments in this industry, and two thirds of training in skills shortage occupations. Recycling or Rubbish Collector training accounted for the majority (27 per cent) of the remaining training against skills shortage occupations.
- Enrolments in Waste Water or Water Plant Operator training are down significantly from 2010. Although this is not an area of reported skills shortage, employment forecasts suggest maintenance of employment levels in this sector.

Figure 7.34: Government funded enrolments



Training Breakdown

- Males continue to make up almost all enrolments (96 per cent in 2011), and 93 per cent of training in 2011 was undertaken by full-time employees.

Top qualifications	2011
Certificate III in ESI - Distribution	185
Certificate III in Asset Maintenance (Waste	133
Certificate II in Asset Inspection	111
Certificate III in ESI - Cable Jointing	67
Advanced Diploma of ESI - Power Systems	61
These 5 courses accounted for 70% of all government funded Electricity, Gas, Water and Waste Services training	

- The 15-24 age group make up largest number of enrolments (42 per cent) but this proportion has dropped significantly since 2010 (from 55.1 per cent). Increased training is reported across all older age groups; more than doubling from 2010 in the 45-54 age band.
- Cert III-IV qualifications form the majority of qualifications, but a much higher proportion of 35-44 and to a lesser extent 45-54 year olds are continuing to enrol for Cert I-II (although rates are down on 2010 levels).

Training Providers

- TAFE institutions are currently attracting 83 per cent of enrolments (down from 93 per cent in 2010); private RTOs the remaining 17 per cent.
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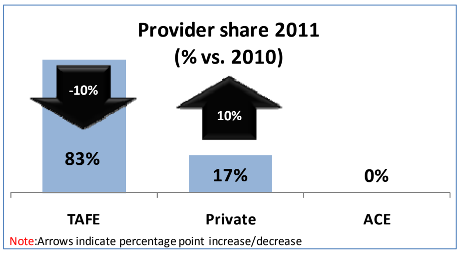
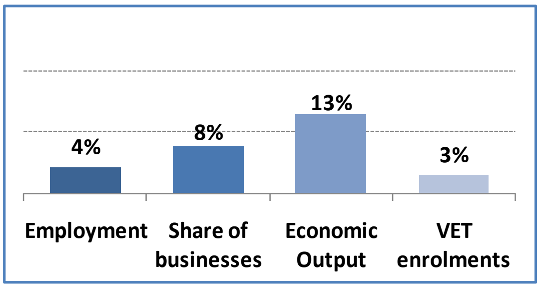
Figure 7.35: Training provider share of enrolments



Note: all enrolment figures relate to VET government funded training only, unless otherwise stated.

Financial and Insurance Services (K)

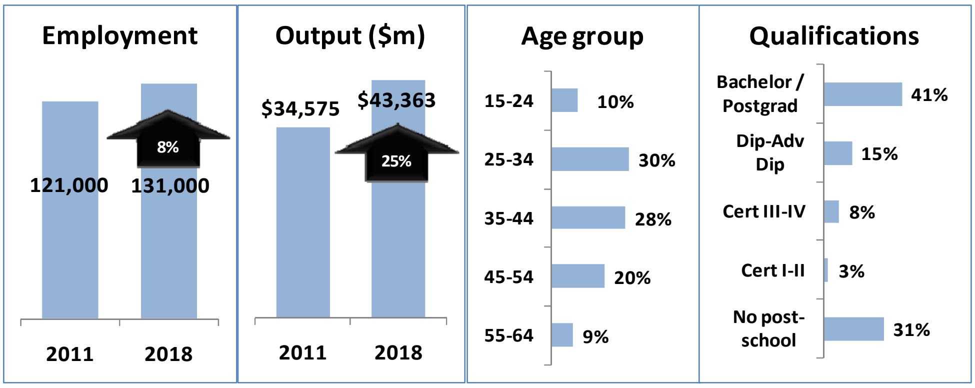
Figure 7.36: Industry share, 2011



Industry Overview

- The Financial and Insurance Services sector employs 4.2 per cent (121,000) of people across Victoria, but contributes 12.8 per cent ($34.6 billion) to the State's economy. Outside of Melbourne, the sector becomes of lesser importance to employment.
- By 2018, a discrete increase in the workforce of 10,100 is currently forecast; whilst output is expected to increase by 25.4 per cent, up to 13.3 per cent of overall State output. Most of this employment growth is expected to be driven by the Health/General Insurance and Depository Financial Intermediation sectors.
- With 55.5 per cent of the workforce (national figures) qualified to Diploma or above, the sector is more highly qualified than average, and 58.3 per cent fall into the 24-44 age group, compared to 45.6 per cent across all industries.

Figure 7.37: Forecasts to 2018 and 2011 current workforce age & qualifications



Key training challenges for the industry

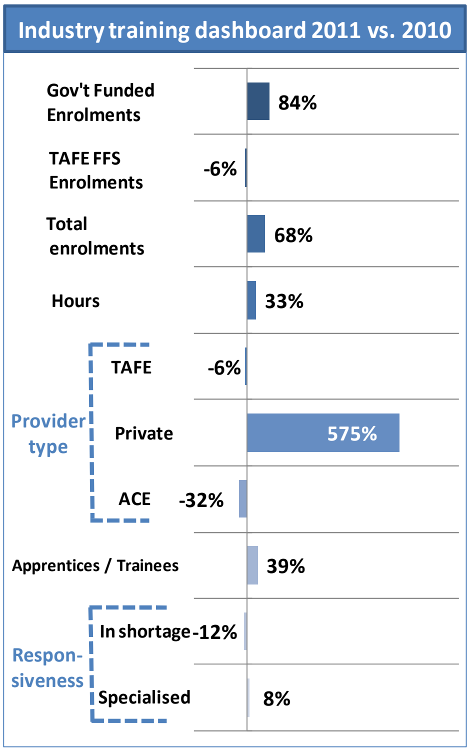
- Address identified skills shortages in the occupation Accountant (General).
- Adjust to significantly increased competition for students by universities offering Bachelors-level accountancy and finance courses, which are favoured by employers.

Figure 7.38: Industry training comparisons

	2008	2009	2010	2011
Financial and Insurance Services	7,048	7,369	7,724	14,226
Year-on-year % change		4.6	4.8	84.2
% change across all industries		*-1.2*	*13.3*	*28.7*

Training Delivery Overview

- During 2010-2011, VET government funded enrolments in Financial and Insurance Services increased sharply to 14,226 from 7,048 in 2008 and 7,724 in 2010.
- Much of the growth in enrolments was at Cert III-IV level, which increased from 3,920 enrolments in 2010 to 9,630 in 2011, primarily with Cert IV qualifications in Financial Services. Additionally, enrolments in Diploma level qualifications rose from 3,803 in 2010 to 4,595 in 2011.

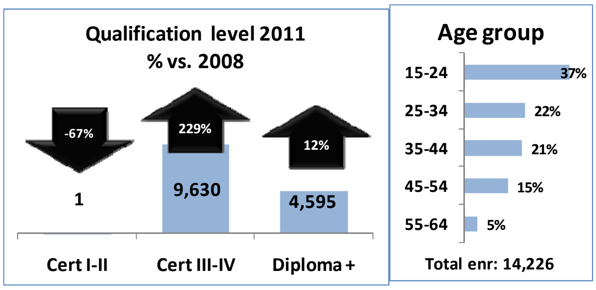


- Although training against the 'in shortage' occupation Accountants decreased 12 per cent from 2,945 in 2010 to 2,585 enrolments in 2011, industry intelligence suggests that this is likely to have been more than offset by large increases in this training at Victorian higher education providers.

Training Breakdown

- Both Finance and Insurance Broker occupations are classified as Specialised by Skills Australia. Training in these occupations increased from 423 enrolments in 2010 to 1,043 in 2011.
- Gender balance in training in this industry has remained static with 64 per cent of training by females in 2008 and 2011. However males are on average enrolled in higher level training, with 41 per cent of males enrolled at Diploma+ level in 2011 compared to 27 per cent of females.

Figure 7.39: Government funded enrolments

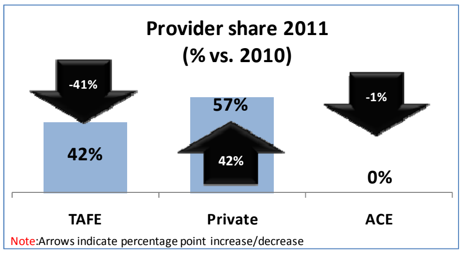


Training Providers

- Private RTOs have grown their market share in this industry training in this industry from 2 per cent in 2008 to 57 per cent in 2011.

Top qualifications	2011
Certificate IV in Financial Services	3,969
Certificate IV in Financial Services (Bookkeeping)	2,168
Certificate IV in Financial Services (Accounting)	1,830
Diploma of Accounting	1,788
Advanced Diploma of Accounting	796
These 5 courses accounted for 74% of all government funded Financial and Insurances Services training	

Figure 7.40: Training provider share of enrolments

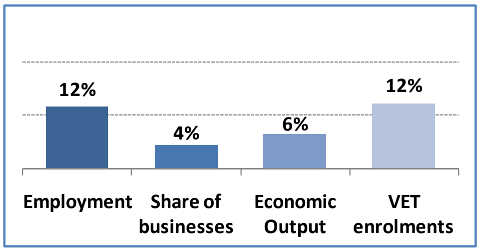


Note: all enrolment figures relate to VET government funded training only, unless otherwise stated.

Note that Financial and Insurance Services includes training delivery against the following occupations which are classified within the ANZSIC industry 'Professional, Scientific and Technical Services' (M) but deliver services to the Financial industry: Accountant (General); Bookkeeper. This represents 53 per cent of the total government funded delivery in this industry in 2011.

Health Care and Social Assistance (Q)

Figure 7.41: Industry share, 2011

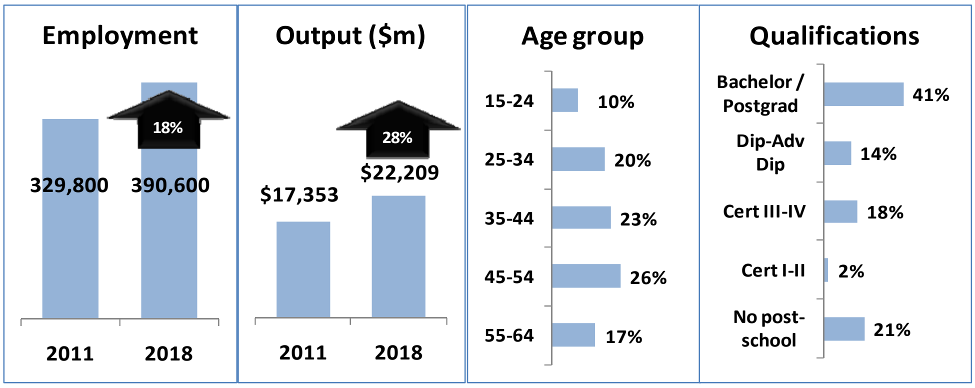


Industry Overview

- The Health Care and Social Assistance sector currently contributes 6.4 per cent of output to the Victorian economy. Forecasts suggest this will rise to 6.8 per cent by 2018.

- The sector's estimated 22,700 businesses employ 329,800 people (11.5 per cent of the workforce) of which 45.7 per cent are part-time. By 2018 there could be an additional 60,800 jobs in the sector, increasing employment to 12.4 per cent of the State workforce. Hospitals and the Residential Care Services sectors will account for around 42,300 of this increase.
- The sector is of particular importance to Wimmera, Central Highlands and Murray-Ovens where it accounts for 14.3 per cent, 13.9 per cent and 13.8 per cent respectively of all employment.

Figure 7.42: Forecasts to 2018 and 2011 current workforce age & qualifications



Key training challenges for the industry

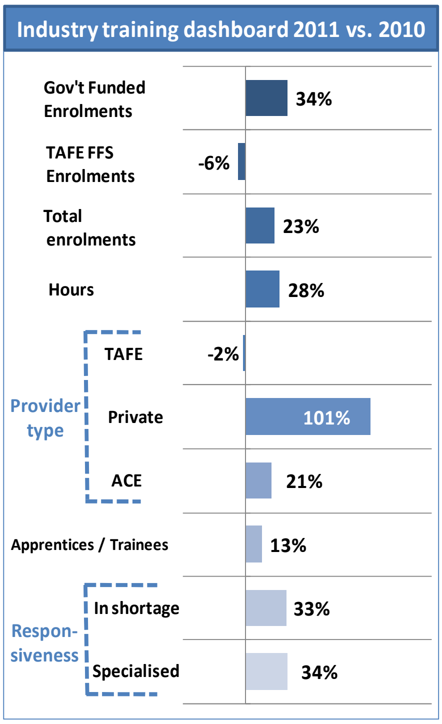
- Huge increase in requirement for trained employees driven by both population factors and regulatory change.
- Address identified skills shortages in the following occupations: Aboriginal and Torres Strait Islander Health Worker; Aged or Disabled Carer; Ambulance Officer; Child Care Centre Manager; Child Care Worker; Community Worker; Dental Assistant; Disabilities Services Officer; Drug and Alcohol Counsellor; Enrolled Nurse; Family Support Worker; Personal Care Assistant; Residential Care Officer; Welfare Centre Manager; Welfare Worker; Dental Technician; Dietician; Hospital Orderly and Nursing Support Worker.
- Requirement to ensure sufficient clinical supervision placement positions required for various health professionals.

Figure 7.43: Industry training comparisons

	2008	2009	2010	2011
Health Care and Social Assistance	29,609	35,683	45,417	60,756
Year-on-year % change		20.5	27.3	33.8
% change across all industries		*-1.2*	*13.3*	*28.7*

Training Delivery Overview

- Government funded enrolments in Health and Social Care increased by one third (34 per cent) during 2010-11 to 60,756. Of these, the vast majority (87 per cent) were in courses in occupations experiencing skills shortage, an increase of 33 per cent from 2010.

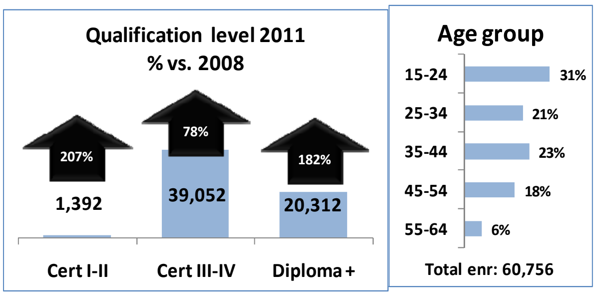


- For enrolments in skills shortage areas, the key occupations were Child Care training (38 per cent of enrolments), Aged and Disabled Care (25 per cent), and Enrolled Nurses (12 per cent).
- Specific occupations to experience strong growth 2010 to 2011 include Child Care Workers (up 5,500 enrolments), Aged or Disabled Carers (up 4,200 enrolments), and Enrolled Nurses (up 1,100 enrolments).

Training Breakdown

- Females continue to make up the vast majority of enrolments in the industry (88 per cent).
- Combining training with part-time employment appears to be relatively frequent in the industry, with 39 per cent of training undertaken by part-time employees in 2011. Additionally, 29 per cent of training was undertaken by unemployed persons, up from 24 per cent in 2010 and 21 per cent in 2009.

Figure 7.44: Government funded enrolments



- Industry intelligence suggests that workforce development policies and reforms may be a key factor influencing the growth in training with an increased emphasis on the registration and professional accreditation of existing health and social care workers.

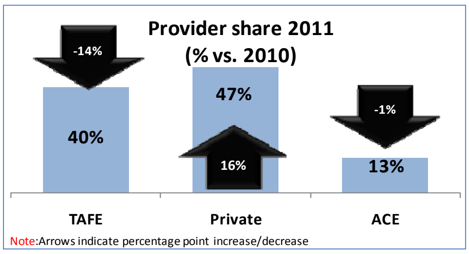
Top qualifications	2011
Certificate III in Children's Services	11,924
Certificate III in Aged Care	6,680
Diploma of Children's Services (Early childhood education and care)	6,468
Diploma of Nursing (Enrolled/Division 2 nursing)	4,520
Certificate III in Home and Community Care	3,187
These 5 courses accounted for 54% of all government funded Health Care and Social Assistance training	

- The 15-24 year age group comprises the largest proportion of enrolments (31 per cent), while almost one quarter of enrolments are among those aged 45 and over (25 per cent). Growth in enrolments has been relatively evenly distributed across all age groups.
- Cert III-IV qualifications currently account for almost two thirds of enrolments (64 per cent), while Diploma level qualifications comprise a further 34 per cent of enrolments.

Training Providers

- In 2011, private RTOs delivered 47 per cent of training in the industry, up from 31 per cent in 2010. Conversely, the share of training delivered by TAFE institutions decreased from 54 per cent in 2010 to 40 per cent in 2011. Delivery by ACE providers remained relatively static over this period, decreasing from 14 per cent to 13 per cent.

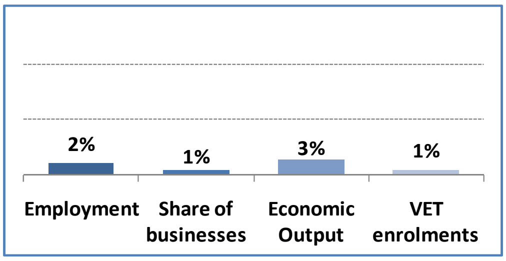
Figure 7.45: Training provider share of enrolments



Note: all enrolment figures relate to VET government funded training only, unless otherwise stated.

Information Media and Telecommunications (J)

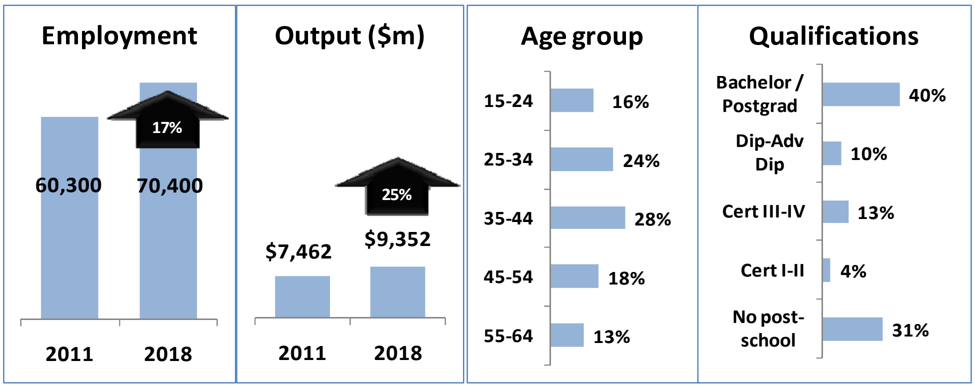
Figure 7.46: Industry share, 2011



Industry Overview

- Currently employing 2.1 per cent of Victoria's workforce, Information, Media and Telecommunications is forecast to increase employment by 10,100 by 2018, of which 41 per cent is likely to come from the Publishing sector.
- The sector's estimated 4,800 businesses contribute $7.5 billion (2.8 per cent) in output to Victoria's economy, and it is more likely than average to be employing people in the 35-44 age cohort.
- Based on national figures, the sector is far more likely than average to have a highly qualified workforce, with 39.7 per cent qualified to Degree level or above.

Figure 7.47: Forecasts to 2018 and 2011 current workforce age & qualifications



Key training challenges for the industry

- Address identified skills shortages in the following occupations: Cabler (Data and Telecommunications) and Telecommunications Technical Officer or Technologist.
- Industry intelligence also suggests employment capacity for additional qualified Digital Broadcast Technicians and Games Designers.

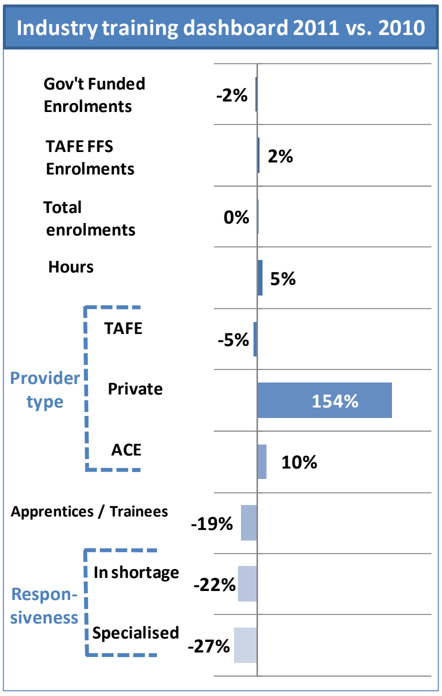
Training Delivery Overview

- Fairly static level of enrolments over past four years, with 4,517 enrolments in 2011.
- Library Assistants and Technicians accounted for 23 per cent of VET government funded enrolments in 2011.

Figure 7.48: Industry training comparisons

	2008	2009	2010	2011
Information, Media and Telecommunications	4,110	4,455	4,609	4,517
Year-on-year % change		8.4	3.5	-2.0
% change across all industries		*-1.2*	*13.3*	*28.7*

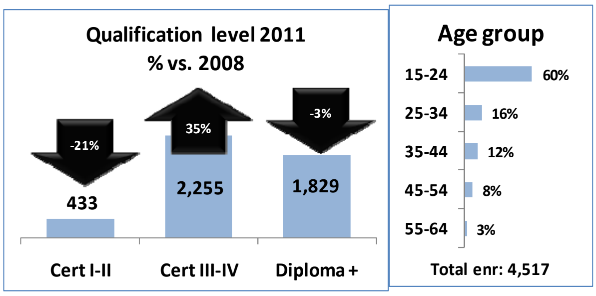
- Skills shortage/specialist roles accounted for 13.5 per cent of enrolments in 2011. Cablers (Data and Telecommunications) showed strong growth, up from 91 in 2008 to 350 in 2011 (unchanged from 2010).
- The 260 enrolments in Telecommunications Technical Officer or Technologist training in 2011 is double the 2008 figure, but 170 fewer enrolments than in 2010.



Training Breakdown

- A higher than average proportion of students enrolling in courses relating to this sector are unemployed and seeking part-time work (26.9 per cent compared to 9.9 per cent on average across all industries).
- The 15-24 age cohort accounts for 60.4 per cent of enrolments across the sector overall. However, the age profile for Library Technicians is far more heavily focused on the 35-54 age group.
- Diploma+ courses accounted for 40.5 per cent of enrolments in 2011, whilst Cert III-IV accounted for 50 per cent - a rise on previous years.
- Significant rise in Sound Technician enrolments to 525 in 2011 (over three times the number in 2010). Multimedia course enrolments have decreased steadily from 1,750 in 2008 to 1,315 in 2010 and 1,109 in 2011.

Figure 7.49: Government funded enrolments

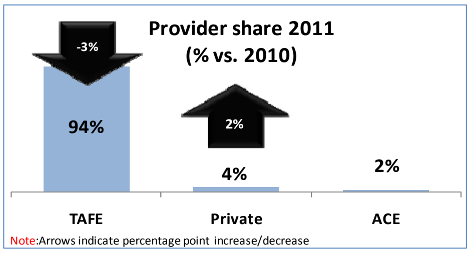


Top qualifications	2011
Diploma of Library/Information Services	430
Certificate IV in Library/Information Services	352
Certificate III in Media	333
Certificate IV in Sound Production	283
Certificate IV in Interactive Digital Media	274
These 5 courses accounted for 37% of all government funded Information Media and Telecommunications training	

Training Providers

- There has been little shift in nature of provision over past four years; VET government funded training in this sector accounts for around 62 per cent of all training, and of this, TAFEs currently supply 94 per cent.

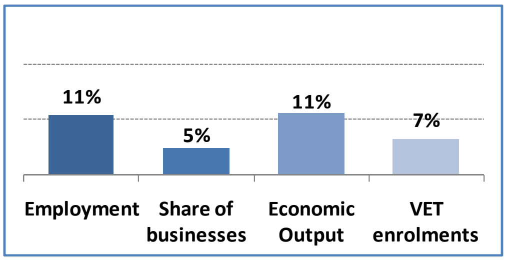
Figure 7.50: Training provider share of enrolments



Note: all enrolment figures relate to VET government funded training only, unless otherwise stated.

Manufacturing(C)

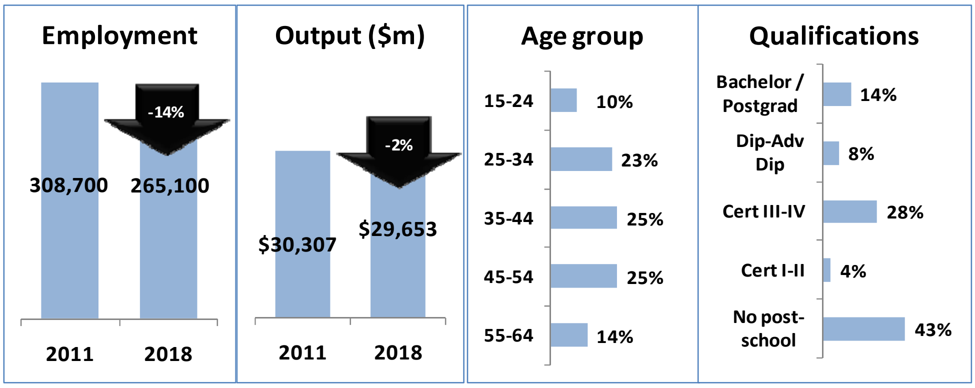
Figure 7.51: Industry share, 2011



Industry Overview

- Currently accounting for 11.2 per cent of Victoria's industry output in 2010/11, forecasts to 2018 suggest output in the Manufacturing sector could fall to around 9.1 per cent, with a real loss in dollars to the State economy.
- Hand-in-hand will go the loss of around 46,300 jobs over the same period, which will particularly affect employment in the Melbourne area.
- Currently employing around 308,700 people (10.8 per cent of Victoria's workforce), with nearly 86 per cent of staff full-time, the sector is forecasting the most significant losses from Food Products (-11,100 jobs), and Textiles (-11,500 jobs). Metals and Fabricated Metals, aligned to growth in Construction, may increase employment to 2018 by an additional 3,900 jobs.
- With nearly 43 per cent of the workforce with no post-school qualifications (national figure), and the beginnings of an older workforce profile, these structural changes to the sector will not come without challenges.

Figure 7.52: Forecasts to 2018 and 2011 current workforce age & qualifications



Key training challenges for the industry

- Address identified skills shortages in the following occupations: Aircraft Maintenance Engineer (Avionics); Aircraft Maintenance Engineer (Mechanical); Aircraft Maintenance Engineer (Structures); Baker; Cabinetmaker; Electrician (General); Locksmith; Mechanical Engineering Technician; Metal Fabricator and Sheet-metal Trades Worker.
- Significant industry structural adjustment requires rapid cross-skilling and up-skilling in new manufacturing techniques and equipment.

Figure 7.53: Industry training comparisons

	2008	2009	2010	2011
Manufacturing	29,270	25,533	28,885	35,481
Year-on-year % change		-12.8	13.1	22.8
% change across all industries		*-1.2*	*13.3*	*28.7*

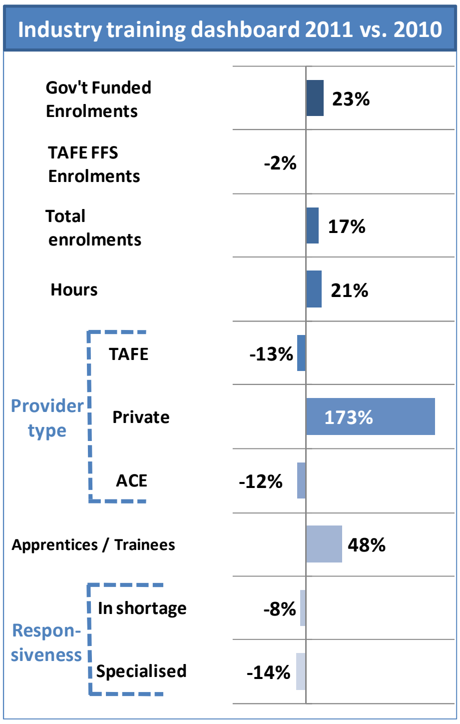
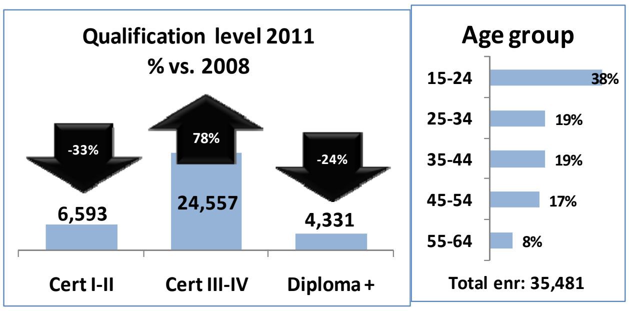


Figure 7.54: Government funded enrolments



Training Delivery Overview

- In 2011, Manufacturing related courses accounted for 35,481 enrolments (including enrolments from related occupations in the Professional Services sector).
- Nearly 10,900 of these overall enrolments (30.8 per cent) were in occupations identified as in skills shortage and over a third of these (35.9 per cent) were in Sheet-metal Trade Worker and Mechanical Engineering Technician occupations (36 per cent).
- Between 2010 and 2011, enrolments in Manufacturing and related Professional Services Manufacturing occupations increased by 22.9 per cent (with particular increases in Organisation and Method Analysts (driven by the Diploma of Competitive Manufacturing), Factory Process Workers and Meat and Bone Slicers).

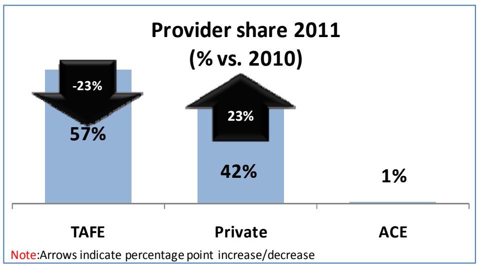
Training Breakdown

- A fifth of all Manufacturing related enrolments are from females (20.5 per cent); with enrolments from females accounting for over three-quarters of the total in textiles focused courses and factory process worker courses.
- Of particular interest are the 750+ female enrolments in Cert II-IV courses in Competitive Manufacturing, undertaken across a very wide range of training providers.

Top qualifications	2011
Certificate III in Process Manufacturing	6,919
Certificate IV in Competitive Manufacturing	2,970
Certificate III in Engineering - Fabrication Trade	2,215
Certificate III in Engineering - Mechanical Trade	1,659
Certificate IV in Engineering	1,542
These 5 courses accounted for 43% of all government funded Manufacturing training	

- On average, across Manufacturing and Professional Services occupations related to Manufacturing, the age profile of enrolments has got older since 2008, with a higher proportion of people now in the 44+ age group enrolling in the VET system, and fewer enrolments in the 15-24 age bracket (down from 48.9 per cent in 2008 to 37.7 per cent in 2011).
- There has been a decrease in the proportion of qualifications studied for at Cert I-II and Diploma+ level since 2008, with 69.2 per cent of all enrolments now at Cert III-IV.
- The Professional Services sector accounts for 75.3 per cent of all Manufacturing related Diploma+ qualifications, with 55.5 per cent of these coming from Mechanical Engineering Technician focused occupations, 21.8 per cent from Fashion Designers and 21 per cent from Organisation and Methods Analysts (Competitive Manufacturing).
- Aircraft Maintenance training enrolments decreased from 492 in 2010 to 405 in 2011, but remain above the 2008 level of 364.
- The qualification Cert III in Process Manufacturing has seen the largest single course increase in this industry between 2010 and 2011, increasing from 2,130 to 6,919 enrolments.

Figure 7.55: Training provider share of enrolments



Note: all enrolment figures relate to VET government funded training only, unless otherwise stated.

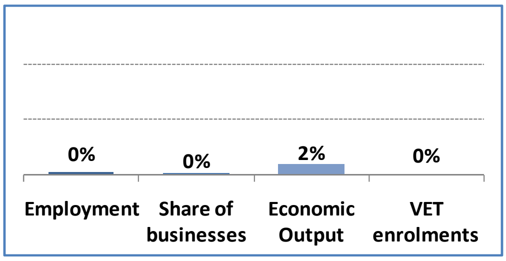
Training Providers

- Private RTOs' share of VET government funded training has increased from 9.4 per cent of enrolments in 2008 to 42.4 per cent in 2011, with the largest numbers in Engineering Production Worker, Food and Drink Factory Worker and Factory Process Worker courses.
- There were 92 training providers delivering VET government funded training related to the Manufacturing sector in 2011, of which fourteen had over a thousand student enrolments in the year.
- Fee-for-service delivery currently accounts for 19.9 per cent of total enrolments in Manufacturing and associated Manufacturing occupations in the Professional Services sector - a slight reduction on previous years.

Note that Manufacturing includes training delivery against the following occupations which are classified within the ANZSIC industry 'Professional, Scientific and Technical Services' (M) but deliver services to the Manufacturing industry: Fashion Designer; Industrial Designer; Mechanical Engineering Technician; Organisational Methods Analyst. This represents 9 per cent of the total government funded delivery in this industry.

Mining (B)

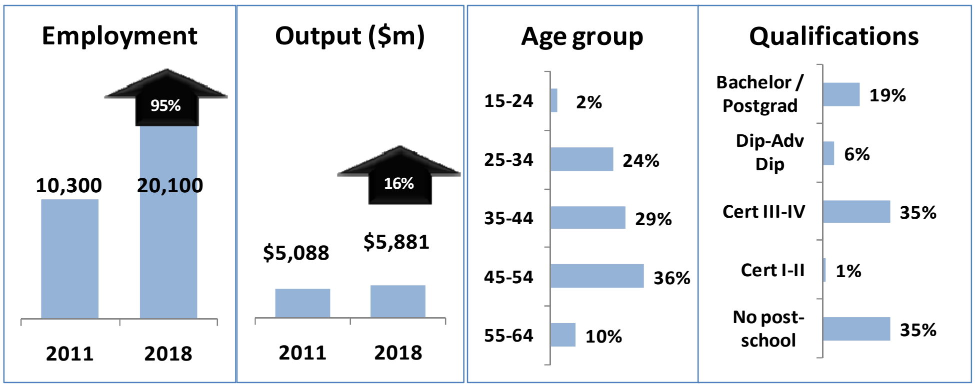
Figure 7.56: Industry share, 2011



Industry Overview

- Around 900 Mining businesses currently operate out of Victoria, contributing $5.1 billion a year to the State economy; and with an average annual productivity per worker of $494,000, the sector is one of the few in Victoria that performs better that the national average.
- Current forecasts suggest that the sector's 10,300 strong workforce could almost double by 2018, with 5,000 of these jobs expected in the Melbourne area, as Construction Material Mining becomes more prevalent.
- Nearly 94 per cent of the sector's workforce is full-time (compared to 69.7 per cent on average across all industries).

Figure 7.57: Forecasts to 2018 and 2011 current workforce age & qualifications



Key training challenges for the industry

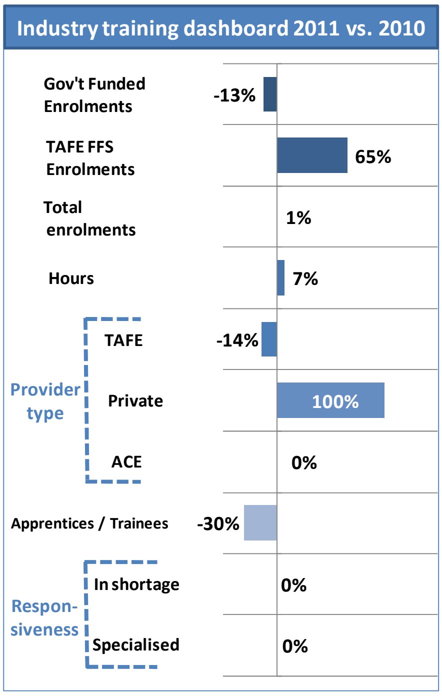
- Reflecting the small size of the Mining industry in Victoria, there are currently no occupations identified as being in shortage in the industry.

Figure 7.58: Industry training comparisons

	2008	2009	2010	2011
Mining	386	367	316	276
Year-on-year % change		-4.9	-13.9	-12.7
% change across all industries		*-1.2*	*13.3*	*28.7*

Training Delivery Overview

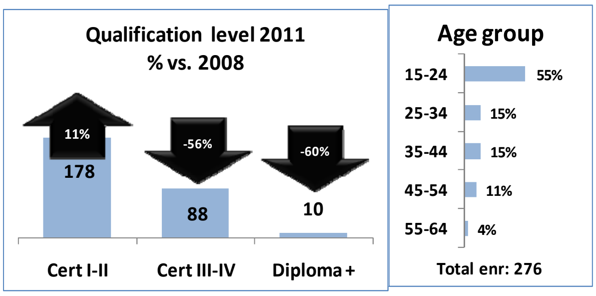
- Government funded enrolments in Mining declined by 13 per cent to 276 in 2011. Enrolments in Mining related courses comprise a small proportion of the total enrolments in VET government funded training (0.06 per cent).



Training Breakdown

- Males continue to account for the vast majority of enrolments in the industry (93 per cent in 2011).
- More than half of enrolments are in the 15-24 year age group (55 per cent) and enrolments in this age group increased from 60 in 2010 to 152 in 2011.
- Cert I-II qualifications currently account for the majority of enrolments (64 per cent) and more than one third of enrolments (37 per cent) are in Cert II in Surface Extraction Operations.
- Enrolments in Mining qualifications vary considerably from year to year. In 2010, the majority of enrolments were at Cert III-IV level (69 per cent), with a high proportion of enrolments in Cert IV in Metalliferous Mining Operations – Processing (44 per cent).

Figure 7.59: Government funded enrolments

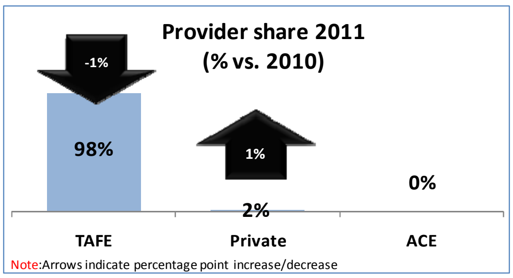


Top qualifications	2011
Certificate II in Surface Extraction Operations	102
Certificate IV in Surface Extraction Operations	31
Certificate II in Underground Metalliferous Mining	26
Certificate II in Mining/Field Exploration Operations	26
Certificate II in Resource Processing	24
These 5 courses accounted for 76% of all government funded Mining training	

Training Providers

- TAFE institutions deliver almost all government funded training in this industry in Victoria.

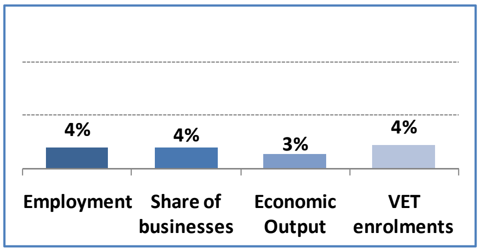
Figure 7.60: Training provider share of enrolments



Note: all enrolment figures relate to VET government funded training only, unless otherwise stated.

Other Services (S)

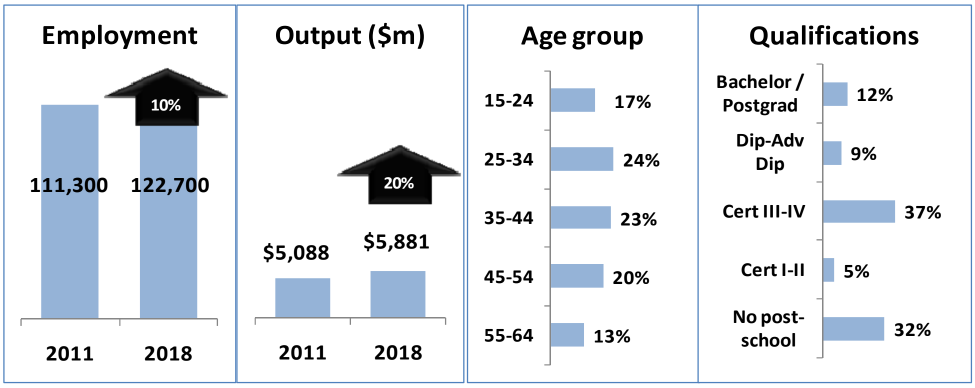
Figure 7.61: Industry share, 2011



Industry Overview

- Other Services contains maintenance and repair (including auto mechanics), and personal services (including hair dressing and beauty therapy) and accounts for 111,300 jobs in Victoria (3.9 per cent of all employment).
- With a very high proportion (79.2 per cent) of the sector's 11,100 businesses made up of sole traders; its workforce is less likely to be qualified to Degree level or above, but a high percentage (37.2 per cent) hold Certificate III-IV qualifications (national figure).
- The sector accounts for 2.6 per cent of industry output across the State ($5.1 billion) and forecasts suggest that it could add an additional 11,400 jobs to the Victorian economy by 2018.

Figure 7.62: Forecasts to 2018 and 2011 current workforce age & qualifications

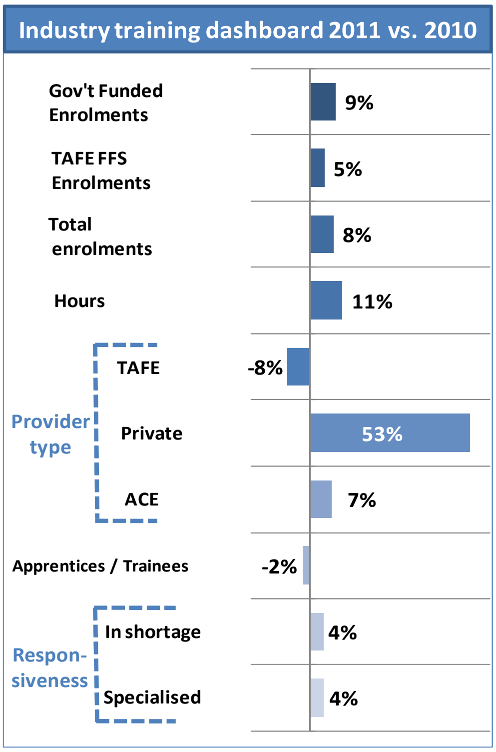


Key training challenges for the industry

- Address identified skills shortages in the following occupations: Motor Mechanic (General), Diesel Motor Mechanic, Automotive Electrician, Motorcycle Mechanic, Panel-beater, and Vehicle Painter. In addition to these, the occupations Business Machine Mechanic and Small Engine Mechanic are on the Skills Australia list of Specialised occupations.
- Automotive industry intelligence suggests contemporary auto trades training courses with access to modern industry diagnostic equipment are crucial to meeting the automotive service and repair needs given rapid changes to vehicle technology, particularly hybrid-engine high-voltage electrical technology.

Figure 7.63: Industry training comparisons

	2008	2009	2010	2011
Other Services	14,459	15,449	20,148	21,871
Year-on-year % change		6.8	30.4	8.6
% change across all industries		*-1.2*	*13.3*	*28.7*



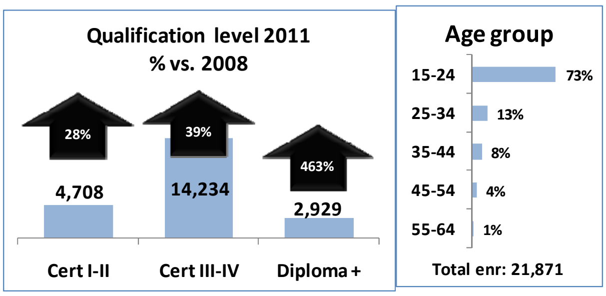
Training Delivery Overview

- Year-on-year increase in enrolments in courses related to occupations in the Other Services sector, up 30.4 per cent from 2009-10 and 8.6 per cent from 2010-11.

Top qualifications	2011
Certificate III in Hairdressing	5,356
Certificate III in Automotive Mechanical	4,290
Diploma of Beauty Therapy	2,673
Certificate III in Automotive Vehicle Body	1,216
Certificate III in Beauty Services	1,063
These 5 courses accounted for 67% of all government funded Other Services training	

- In 2011, there were 5,525 enrolments in occupations identified as specialised, of which nearly all (97 per cent) are also identified as in shortage. Almost all of these enrolments are in the Motor Mechanic (General) area, which continues to perform strongly; gaining 300 enrolments (6 per cent) to 5,074 government funded enrolments in 2011.

Figure 7.64: Government funded enrolments



Training Breakdown

- Almost three-quarters (72.7 per cent) of enrolments are in the 15-24 age group.
- Of the 65.1 per cent of qualifications related to this sector at Cert III-IV, 39.6 per cent are linked to Hairdressing and 34.5 per cent to General Motor Mechanics.

- Training in the personal services occupations in Hairdressing and Beauty Therapy across all levels increased 22 per cent from 9,679 enrolments in 2010 to 11,777 in 2011.
- Certificate II Automotive training towards the occupation Mechanics Assistant – a pipeline qualification for the Cert III trade training – decreased by 23 per cent from 2,760 in 2010 to 2,135 enrolments in 2011.
- Enrolments against the 'in shortage' occupation Automotive Electrician have

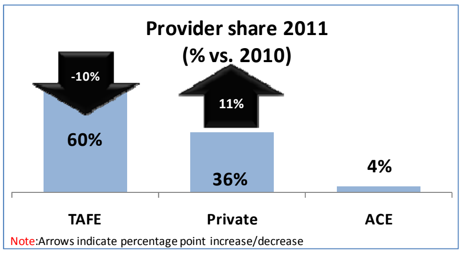
remained static at 232 in 2010 and 2011 and Diesel Motor Mechanic training has decreased to almost zero in 2011 from a very small base (34 enrolments) in 2010.

- Although enrolments in the occupations Vehicle Painter and Panel-beater are very small, this is due to this training being incorporated in more general Vehicle Body Builder training, which saw a small increase from 1,220 to 1,277 between 2010 and 2011.
- As enrolments in Beauty related courses have increased over the past four years, so the gender split has now swung in favour of females (55.9 per cent in 2011).

Training Providers

- Private RTO share of enrolments increased from 16.2 per cent in 2008 to 36.1 per cent in 2011. TAFE sector currently accounts for 60.2 per cent (down from 81.7 per cent in 2008).

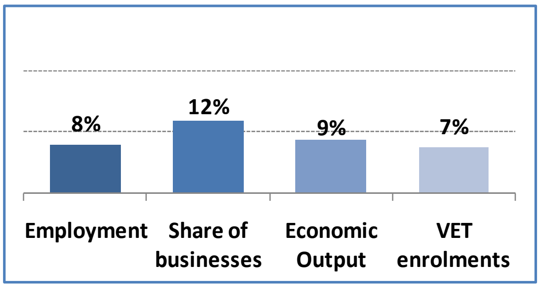
Figure 7.65: Training provider share of enrolments



Note: all enrolment figures relate to VET government funded training only, unless otherwise stated

Professional, Scientific and Technical Services (M)

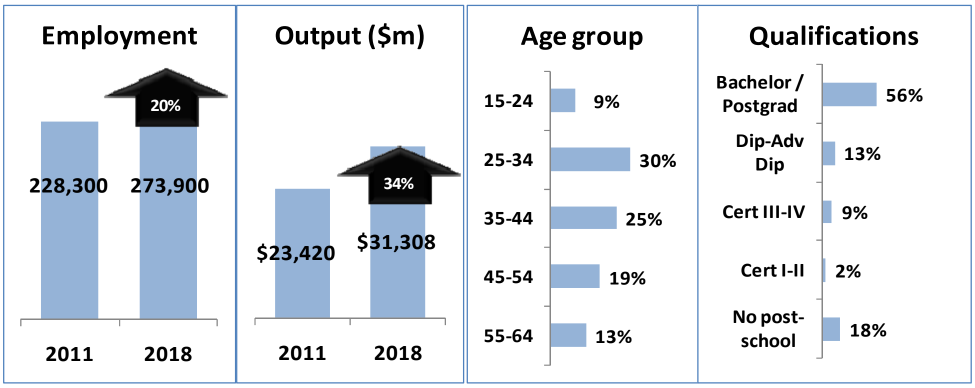
Figure 7.66: Industry share, 2011



Industry Overview

- Accounting for 8.7 per cent ($23.4 billion) of Victoria's output in 2010-11, the Professional, Scientific and Technical Services sector is forecast to increase this proportion to 9.6 per cent to 2017-18.
- Similarly, employment in the sector is forecast to increase from 8 per cent (228,300) in 2010-11 to make up 8.7 per cent of State employment by 2017-18. These 45,600 extra jobs will primarily be driven by increases of 30,200 in Legal/Accounting Services.
- Data at the national level suggests that 55.6 per cent of the sector is currently qualified to Degree level or above (average across all sectors is 27 per cent); and of the estimated 61,300 businesses operating in this sector in Victoria, a higher than average proportion (43.1 per cent) employ 20 or less people.

Figure 7.67: Forecasts to 2018 and 2011 current workforce age & qualifications



Key training challenges for the industry

- Address identified skills shortages in the following occupations: Developer Programmer; ICT Business Analyst; Internal Auditor; Occupational Health and Safety Adviser and Software Engineer.

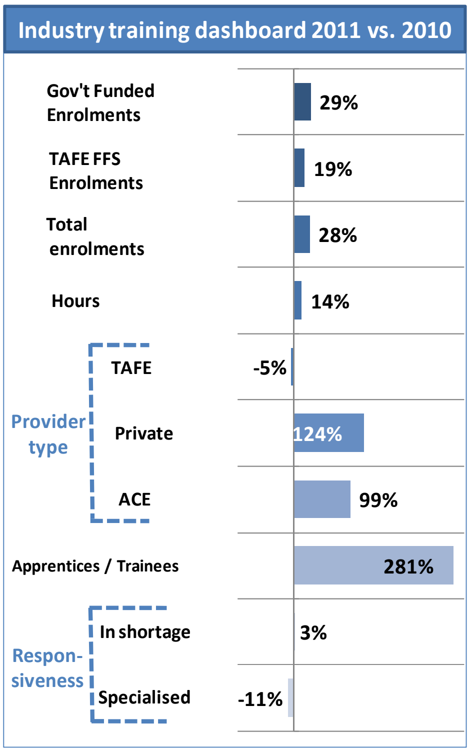
Note: All data in this commentary excludes 16,000 enrolments allocated to the Construction, Manufacturing, and Financial and Insurance Services industries enrolments.

Figure 7.68: Industry training comparisons

	2008	2009	2010	2011
Professional, Scientific and Technical Services	23,451	24,462	28,420	36,704
Year-on-year % change		4.3	16.2	29.1
% change across all industries		*-1.2*	*13.3*	*28.7*

Training Delivery Overview

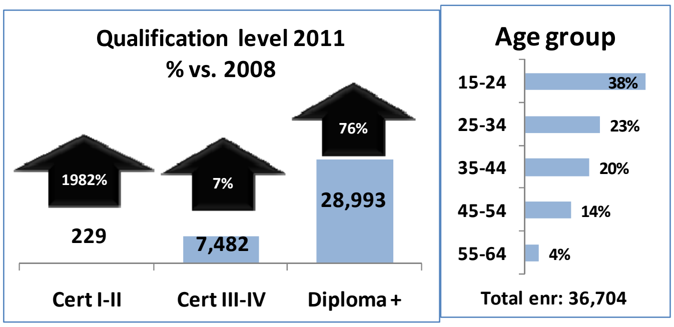
- Enrolments have increased 56.5 per cent from 2008 and 29.1 per cent from 2010 to 36,704 enrolments in 2011.
- Less than 200 enrolments are in occupations in shortage areas (Electronic Instrument Trades Workers).
- The majority of the remaining enrolments are in computer software and hardware occupations, and generic business and management qualifications at Diploma level and above.



Training Breakdown

- On average, across all industry sectors in 2011 Diploma+ made up 19 per cent of enrolments. For this industry the Diploma+ proportion is 79 per cent.
- The age profile of 2011 enrolments is older than average, with only 38 per cent of enrolments are from the 15-24 age group, compared to 48.5 per cent on average across all industries.
- Diploma+ qualifications in general Business or Management courses almost doubled from 9,437 in 2010 to 17,984 enrolments in 2011, representing just under half of all enrolments in this industry.
- The Diploma of Business and the Diploma and Advanced Diploma of Management are eligible to receive apprenticeship funding (since 2010), and 5,264 enrolments in 2011 are apprenticeships, up from 839 in 2010.

Figure 7.69: Government funded enrolments



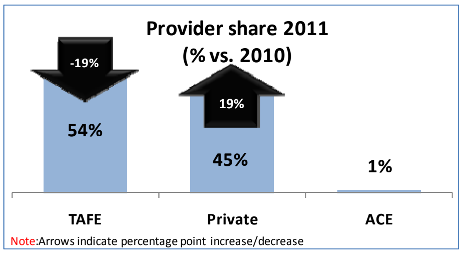
Training Providers

- VET government funded enrolments accounted for 85 per cent of all reported enrolments in 2011, a figure that has changed little since 2008.

Top qualifications	2011
Diploma of Management	13,564
Diploma of Business	1,920
Diploma of Human Resources Management	1,119
Advanced Diploma of Computer Systems Engineering	1,108
Certificate IV in Occupational Health and Safety	1,053
These 5 courses accounted for 51% of all government funded Professional, Scientific and Technical Services training	

- Private RTOs now account for 45 per cent of government funded enrolments, compared to 2 per cent in 2008.
- A total of 192 providers delivered VET government funded courses relating to Professional Services in 2011.

Figure 7.70: Training provider share of enrolments

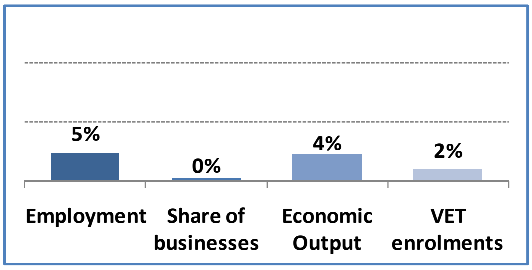


Note: all enrolment figures relate to VET government funded training only, unless otherwise stated.

This industry group contains a significant number of senior occupations from other industries e.g. accountants, architects and various engineering specialisations. The ABS states that "A basic principle in the ANZSIC is that industry classes should reflect the way activities are actually organised in the real world. This ensures that industry classes reflect realistic and recognisable segments...for statistical collections". Consequently in this analysis we have reported the training data from this industry which relates to Construction, Manufacturing, and Financial and Insurance Services in those industries. The remaining occupational areas include computer software and hardware, and veterinary occupations.

Public Administration and Safety (O)

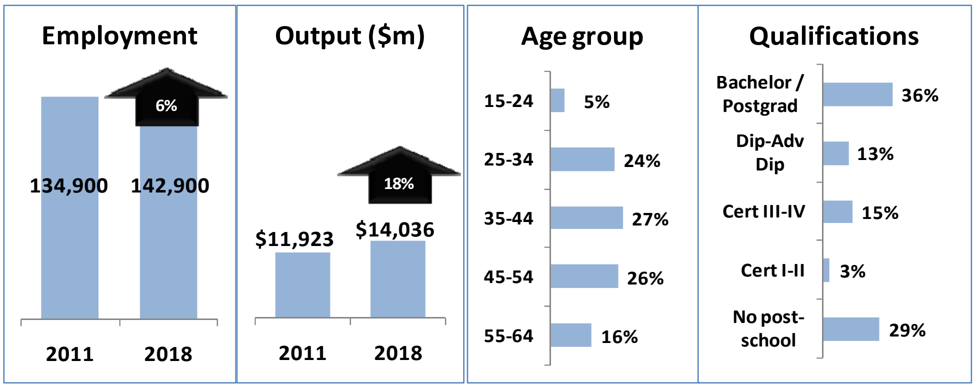
Figure 7.71: Industry share, 2011



Industry Overview

- The Public Administration and Safety sector currently employs 134,900 people across Victoria (4.7 per cent of the workforce).
- Forecasts to 2018 suggest employment could grow by 8,000, but this growth may mask losses of 14,600 in State Government Administration.
- The sector's economic contribution to Victoria's economy in 2010-11 was $11.9 billion (4.4 per cent) with an average productivity per worker of $88,400 (just less than the national average of $92,100).
- A greater proportion of Public Admin workers are qualified to Diploma or above (48.8 per cent compared to 36.8 per cent on average across all industries (national figures)).

Figure 7.72: Forecasts to 2018 and 2011 current workforce age & qualifications



Key training challenges for the industry

- There are no identified skills shortage occupations in this industry, but the occupations Emergency Service Worker, Fire Fighter and Police Officer are all included on the Skills Australia list of Specialised occupations.

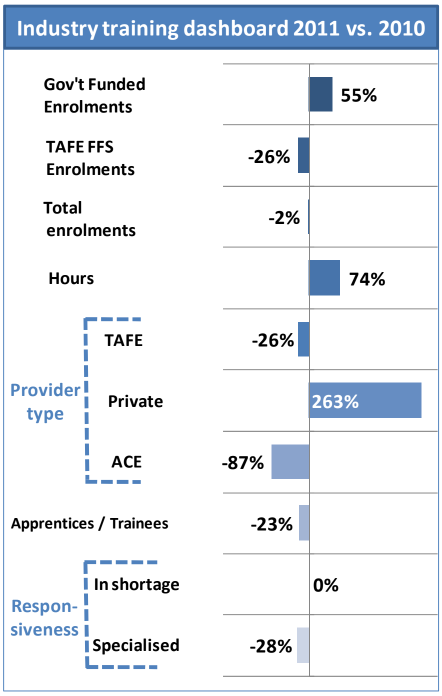
Training Delivery Overview

- Enrolments increased 54.6 per cent in 2011, to nearly 9,000.
- Reduction in proportion of enrolments at Diploma+ level, down to 10.8 per cent in 2011, but an increase in numbers of Parole/Probation Officers training at this level.
- Significant increases in enrolments in Security Officer/Guards at both Cert I-II and III-IV levels between 2009 and 2010 and again to 2011.

Figure 7.73: Industry training comparisons

	2008	2009	2010	2011
Public Administration and Safety	4,167	3,603	5,800	8,964
Year-on-year % change		-13.5	61.0	54.6
% change across all industries		*-1.2*	*13.3*	*28.7*

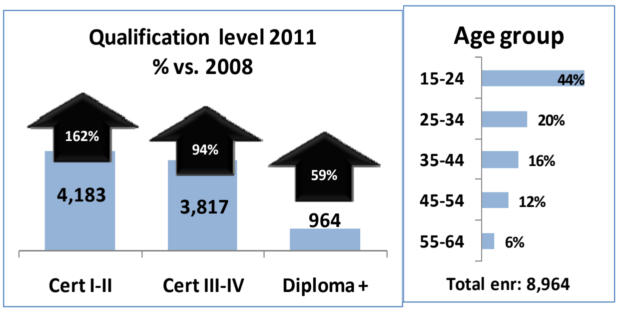
- In 2011, 15.8 per cent of enrolments were in specialised emergency service occupations, with 81.4 per cent of courses at the Cert I-II level. However, further analysis shows that this training was almost entirely (over 90 per cent) single-module training in basic first-aid, not training towards a full qualification in this occupation.



Training Breakdown

- Males constitute 76.1 per cent of training. However, females make up 54.5 per cent of all Diploma+ enrolments, but only 21.1 per cent and 18.9 per cent respectively of Cert I-II and III-IV courses.
- Enrolments by the 15-24 age group increased from 26.5 per cent in 2008 to 44.4 per cent in 2011. There has been a small, but noticeable reduction in enrolments for 35+ age groups.
- Half the number of full-time employees enrolled on courses in 2011, compared to 2010 (30.7 per cent down to 16.9 per cent), but there was a significant increase in enrolments by part-time employees (46.9 per cent, up from 28.4 per cent in 2010).
- Enrolments against the specialised occupation Fire Fighter decreased from 327 in 2010 to 192 in 2011.

Figure 7.74: Government funded enrolments

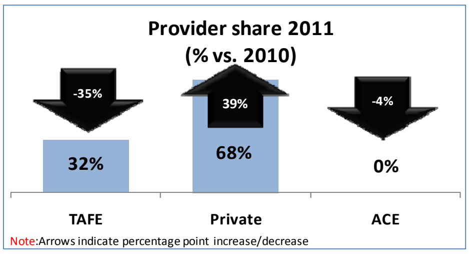


Training Providers

- Private RTOs now account for 67.8 per cent of enrolments, compared to 0.3 per cent in 2008, whilst TAFE has reduced from a market share of 91.9 per cent to 31.8 per cent. If the single-module first aid training enrolments are removed the TAFE share is 22 per cent.

Top qualifications	2011
Certificate II in Security Operations	2,861
Certificate III in Security Operations	2,815
Certificate II in Emergency Medical Service First Response	1,116
Advanced Diploma of Justice	772
Diploma of Security and Risk Management	147
These 5 courses accounted for 86% of all government funded Public Administration and Safety training training	

Figure 7.75: Training provider share of enrolments

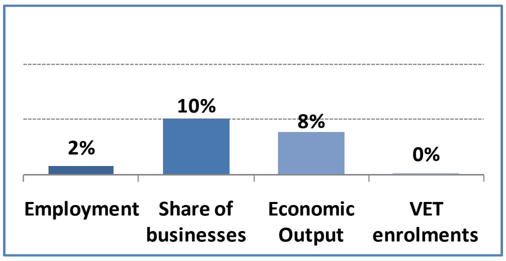


- Since 2009, fee-for-service enrolments have reduced from 78.1 per cent to 52 per cent in 2011.

Note: all enrolment figures relate to VET government funded training only, unless otherwise stated.

Rental, Hiring and Real Estate Services (L)

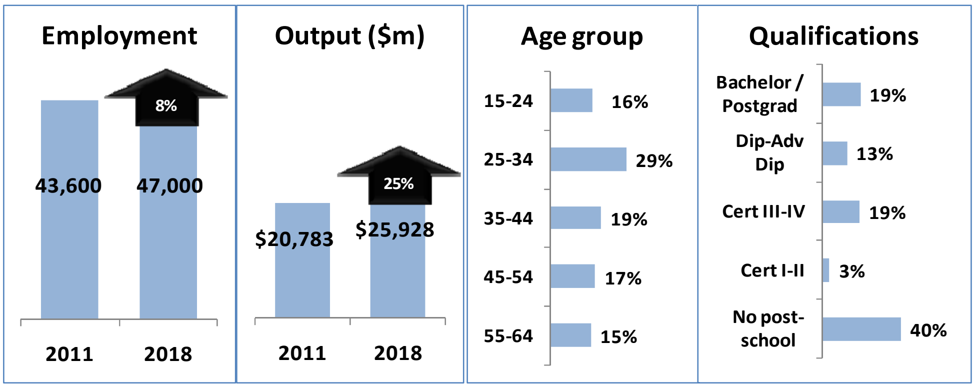
Figure 7.76: Industry share, 2011



Industry Overview

- The 53,000 Rental, Hiring and Real Estate businesses across Victoria employ just 1.5 per cent of the workforce; with 87.3 per cent of the sector made up of sole traders. A discrete increase in employment of 3,400 up to 47,000 by 2018 is currently forecast, with almost half of this expected from Real Estate Activities.
- However, the sector punches significantly above its weight with regards to contribution to the economy, with an output of $20.8 billion in 2010-11 (7.7 per cent of total State output).
- With an average productivity per worker rate of $477,000 per annum (second only to the Mining industry), it is also one of the few sectors across Victoria that performs better than the national average.

Figure 7.77: Forecasts to 2018 and 2011 current workforce age & qualifications



Key training challenges for the industry

- There are no identified skills shortage occupations in this industry.

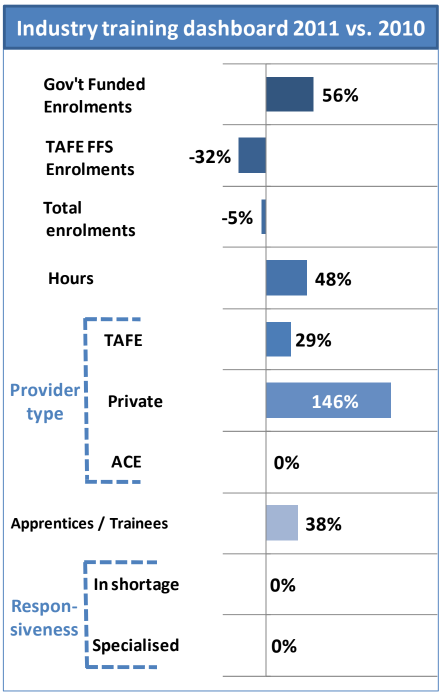
Training Delivery Overview

- VET government funded enrolments in Rental, Hiring and Real Estate Services increased by 56 per cent during 2010-11 to reach 1,552 in 2011.
- The vast majority of government funded enrolments continue to be in Real Estate training (91 per cent), while the remaining 9 per cent of enrolments were in Property Service Manager training.

Figure 7.78: Industry training comparisons

	2008	2009	2010	2011
Rental, Hiring and Real Estate Services	617	660	996	1,552
Year-on-year % change		7.0	50.9	55.8
% change across all industries		*-1.2*	*13.3*	*28.7*

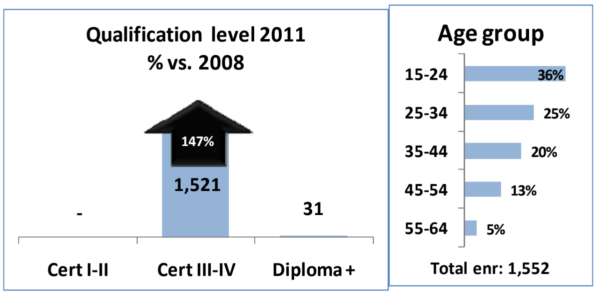
- Certificate IV in Property Services (Real Estate) is the sector's dominant qualification (accounting for 91 per cent of enrolments). Other key qualifications include Cert IV in Property Services/Operations (4 per cent of enrolments) and Cert III in Property Services/ Agency (3 per cent of enrolments).



Training Breakdown

- Currently comprising 58 per cent of enrolments, females experienced a higher rate of enrolment growth during 2010-11 compared with males (64 per cent growth, compared with 46 per cent for males).
- All age groups experienced a growth in enrolments during 2010-11, with a particularly high rate of growth among 15-24 year olds (73 per cent) and 35-54 year olds (60 per cent). In 2011, younger people aged 15-24 comprised 36 per cent of enrolments.
- In 2011, more than half of training was undertaken by full-time employees (58 per cent). Part-time employees and unemployed persons experienced particularly marked growth in enrolments during 2010-11 and comprised 14 per cent and 12 per cent of training in the industry in 2011 (compared to 11 per cent and 7 per cent in 2010).

Figure 7.79: Government funded enrolments

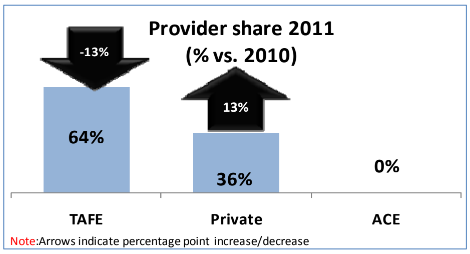


Top qualifications	2011
Certificate IV in Property Services (Real Estate)	1,410
Certificate IV in Property Services (Operations)	64
Certificate III in Property Services (Agency)	45
Diploma of Property Services (Asset and Facility Management)	30
Certificate IV in Property (Real Estate Agency Practice)	2
These 5 courses accounted for 100% of all government funded Rental, Hiring and Real Estate Services training	

Training Providers

- While TAFE institutions continue to account for the vast majority of enrolments in the industry (64 per cent market share in 2011), private RTOs increased their market share from 15 per cent in 2008 and 23 per cent in 2010 to 36 per cent in 2011. There is no ACE delivery in this industry.

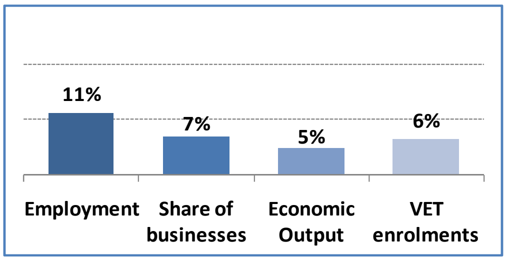
Figure 7.80: Training provider share of enrolments



Note: all enrolment figures relate to VET government funded training only, unless otherwise stated.

Retail Trade (G)

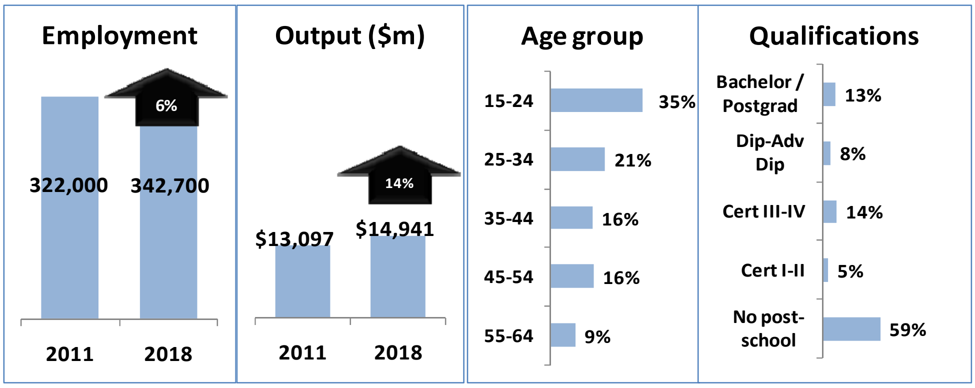
Figure 7.81: Industry share, 2011



Industry Overview

- Currently contributing $13.1 billion to the State economy; the Retail Trade sector's share of Victoria's output stands at 4.8 per cent, whilst its share of employment is 11.3 per cent.
- With almost half of the workforce part-time (48.4 per cent), the sector is also the second highest employer of 15-24 year olds, with 34.9 per cent of workers in this age group.
- Productivity per worker rates significantly lag the national average (by 15.4 per cent), but the sector is forecast to add an additional 20,700 jobs to Victoria's economy by 2018. The majority of these jobs will be in Non-Store Retail (14,600) and Food Retail (8,700).
- Nationally, the Retail sector has the one of the least qualified workforces of all, with 58.9 per cent holding no post-school qualifications.

Figure 7.82: Forecasts to 2018 and 2011 current workforce age & qualifications



Key training challenges for the industry

- Address identified skills shortages in the occupation Retail Manager (General).

Training Delivery Overview

- Government funded enrolments in Retail Trade increased sharply to 31,735 in 2011, an overall increase of 45 per cent from 2010.
- A small number of government funded enrolments were in occupations identified as being in shortage (38 enrolments). Of these, 27 enrolments were in the Diploma of Franchising.

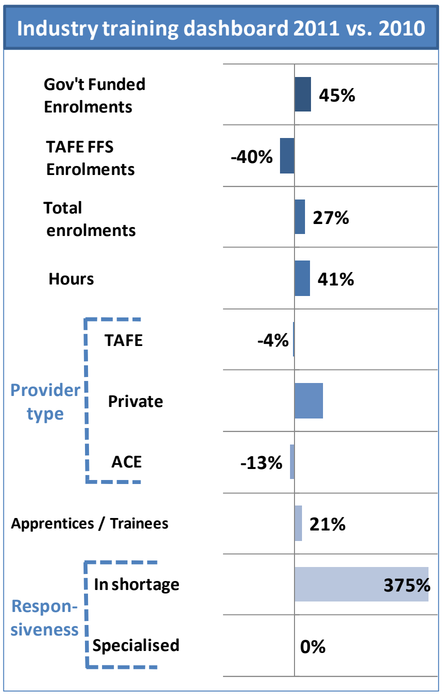
Figure 7.83: Industry training comparisons

	2008	2009	2010	2011
Retail Trade	18,472	17,310	21,932	31,735
Year-on-year % change		-6.3	26.7	44.7
% change across all industries		*-1.2*	*13.3*	*28.7*

Training Breakdown

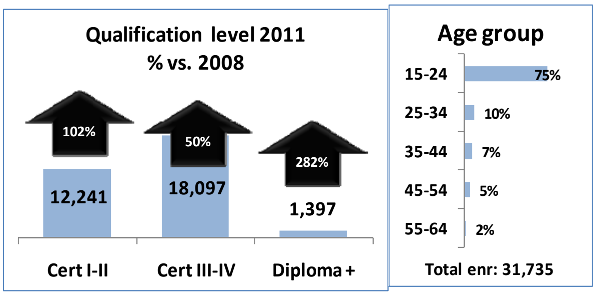
- Two thirds of training is undertaken by part-time employees (65 per cent), with a further 21 per cent undertaken by full-time employees.

- Enrolments continue to be heavily concentrated among younger people aged 15-24 years (75 per cent) and among females (66 per cent). This pattern is largely unchanged from 2010 and 2009.



- Training in courses related to the Sales Assistant occupation group accounts for the majority of enrolments in the industry (76 per cent). Other key occupational areas include Retail Supervisor training (10 per cent), and Pharmacy Sales Assistant training (7 per cent, up from 3 per cent in 2010).
- Enrolments in Cert III-IV qualifications increased markedly during 2010-11, and accounted for more than half of enrolments in 2011 (57 per cent). The Certificate III in Retail experienced particularly marked growth, with an increase of 5,876 enrolments during 2010-11. Other qualifications to experience growth include Certificate III in Community Pharmacy (up 1,646), and Certificate IV in Retail Management (up 1,289).
- Training in 'in shortage' occupations (Retail Manager) has shown an increase of over 300 per cent in 2011. In reality, this represents an increase of 30 enrolments, to 38 off a very low base.

Figure 7.84: Government funded enrolments



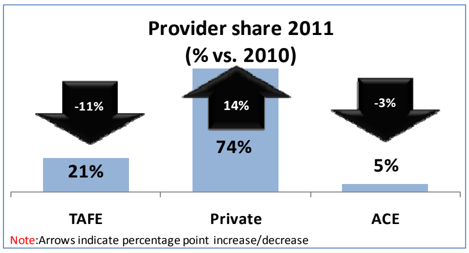
- While declining as a proportion of overall enrolments, enrolments in Cert I-II level qualifications continue to account for a sizeable share of training in the industry (37 per cent of all enrolments in 2011). Of these, the vast majority are Cert II in Retail (11,620, or 37 per cent of total enrolments).

Top qualifications	2011
Certificate III in Retail	12,148
Certificate II in Retail	11,620
Certificate IV in Retail Management	2,208
Certificate III in Community Pharmacy	2,002
Diploma of Retail Management	909
These 5 courses accounted for 91% of all government funded Retail trade training	

Training Providers

- The majority of enrolments are delivered by private RTOs (74 per cent in 2011), with TAFE institutions comprising a further 21 per cent share, and ACE providers accounting for the remaining 5 per cent. The general trend has been for an increase in the market share of private RTOs (up from 61 per cent in 2010 and 52 per cent in 2008).

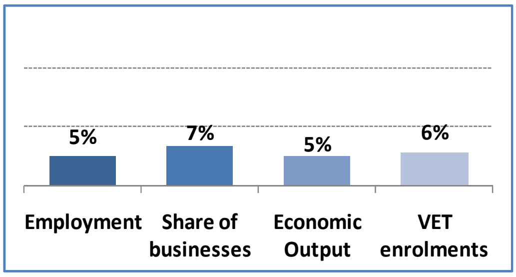
Figure 7.85: Training provider share of enrolments



Note: all enrolment figures relate to VET government funded training only, unless otherwise stated.

Transport, Postal and Warehousing (I)

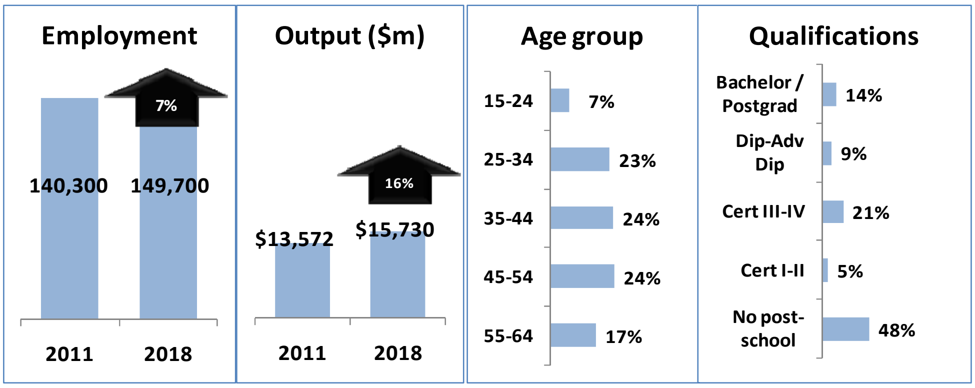
Figure 7.86: Industry share, 2011



Industry Overview

- Although the Transport, Postal and Warehousing sector is forecast to grow from 140,300 workers in 2011 by 9,400 by 2018; this overall figure will be driven by growth of 16,900 in the Road Transport sector, masking discrete losses in Rail, Postal and Transport Services.
- With 21.9 per cent of workers in the sector aged 55 or over, one of the key future challenges this sector will face is the replacement of its workforce, as a large proportion of employees come up to retirement age.
- Currently contributing $13.6 billion (5 per cent) to the State economy, the sector employs 4.9 per cent of the workforce in Victoria, but productivity per worker rates trail the national average for the sector by 12.2 per cent.

Figure 7.87: Forecasts to 2018 and 2011 current workforce age & qualifications



Key training challenges for the industry

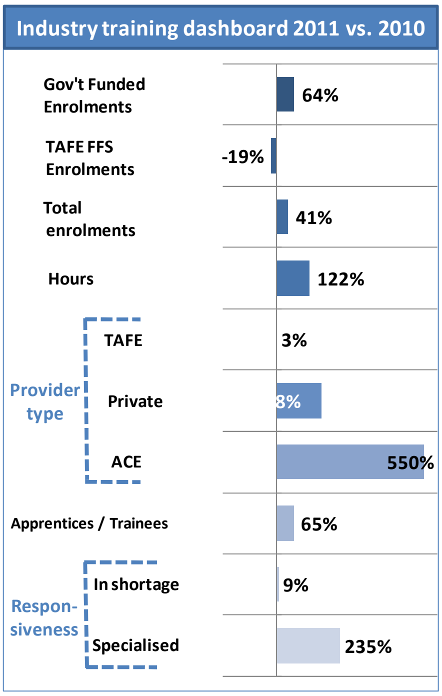
- Address identified skills shortages in the following occupations: Electrical Lines-worker and Signal Workers in both rail and tram; Railway Track Workers; Train Drivers and Truck Drivers (General).
- Address the issue of lack of occupational mobility between similar occupations e.g. passenger vs. freight Train Drivers, or Electrical Lines-workers on rail vs. tram lines. Industry intelligence suggests similar skill sets but barriers to cross-training and re-deployment.

Figure 7.88: Industry training comparisons

	2008	2009	2010	2011
Transport, Postal and Warehousing	11,302	15,046	17,187	28,149
Year-on-year % change		33.1	14.2	63.8
% change across all industries		*-1.2*	*13.3*	*28.7*

Training Delivery Overview

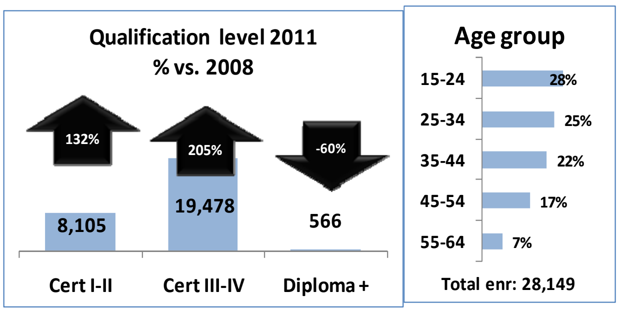
- Course enrolments related to occupations in the Transport, Postal and Warehousing sector rose 64 per cent in 2011 to 28,149.
- 20 per cent of enrolments were in identified skills shortage areas, down from 30.3 per cent in 2010.



- Truck Drivers made up 89 per cent of enrolments in skills shortage occupation, and Train Drivers 11 per cent.
- The majority of enrolments in 2011 were at Cert III-IV level in the occupations Store-person and Warehouse Administration (38 per cent).
- Certificates III-IV in the occupations Truck Driver and Delivery Driver account for a further 27 per cent of enrolments.
- While ACE providers experienced a sharp increase in enrolments, they account for a relatively small number of enrolments overall (416 enrolments or 1 per cent of all enrolments in 2011).

Training Breakdown

Figure 7.89: Government funded enrolments



- The 15-24 age group makes up 48 per cent of enrolments across all VET government funded Cert 1+ training. However it accounts for only 28 per cent of Transport, Postal and Warehousing enrolments, with 47.4 per cent coming from the 25-44 age cohorts.
- In 2011, 47 per cent of enrolments were by full-time employees (compared to an average of 33.5 per cent across all government funded Cert I+ training).

Top qualifications	2011
Certificate III in Transport and Logistics (Warehousing and Storage)	7,990
Certificate II in Transport and Logistics (Warehousing and Storage)	6,023
Certificate III in Transport and Logistics (Road Transport)	3,772
Certificate IV in Transport and Logistics (Warehousing and Storage)	2,546
Certificate III in Driving Operations	2,489
These 5 courses accounted for 81% of all government funded Transport, Postal and Warehousing training	

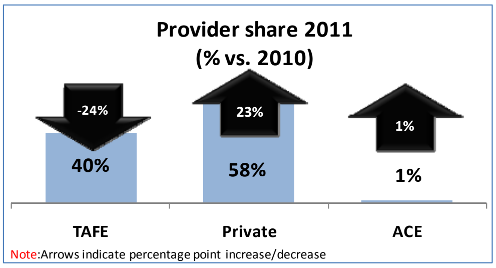
- Industry intelligence suggests that shortages in truck driving are particularly experienced for heavy rigid and heavy combination drivers, and with long-distance not short-haul runs. Within the industry, "the license not the qualification" is crucial. However, these licenses are very expensive and the role of government funded training within the broader qualification is crucial. Analysis of module enrolments in Cert III-IV Road Transport qualifications show positive results, with specific driving modules for heavy rigid and heavy combination increasing from 2,283 in 2010 to 3,214 in 2011.

- Industry intelligence suggests that shortages in Train Drivers are particularly within passenger operations. Operators receive many job applications but not from already-trained employees. An industry-proposed solution is for operators to hire former freight drivers, which would require training providers to deliver significantly less training.

Training Providers

- The TAFE sector's share of enrolments dropped from a high of 71 per cent in 2009 to 40 per cent in 2011 compared to average TAFE delivery across all government funded Cert I+ training of 60 per cent.
- Private RTOs provided 61 per cent of training in skills shortage areas in this industry, compared to an average of 33 per cent for private RTOs across all government funded Cert I+ training.
- A 1,258 enrolment decrease in reported fee-for-service enrolments was more than offset by a 10,962 enrolment increase in government funded training. Looked at separately, TAFE fee-for-service activity decreased by 772 enrolments, while TAFE government funded delivery increased by 302 enrolments.

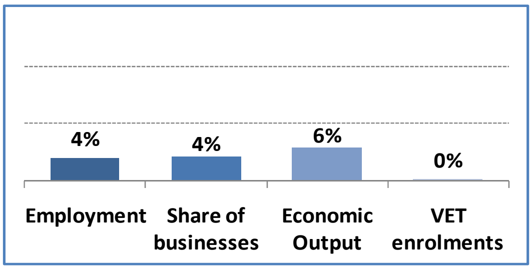
Figure 7.90: Training provider share of enrolments



Note: all enrolment figures relate to VET government funded training only, unless otherwise stated.

Wholesale Trade (F)

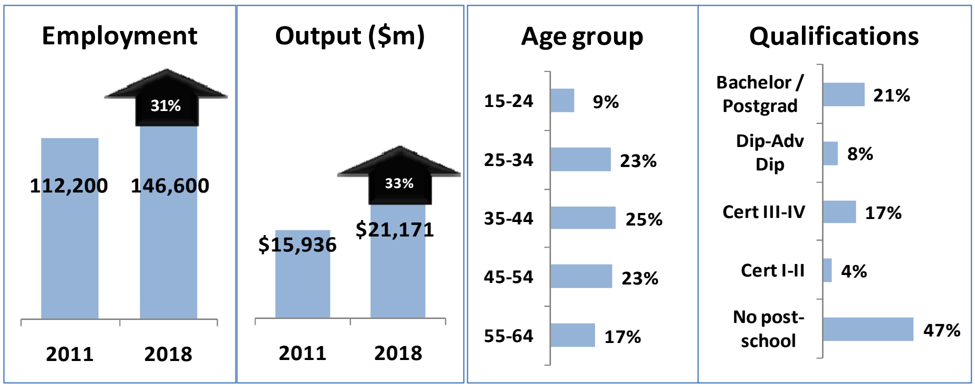
Figure 7.91: Industry share, 2011



Industry Overview

- Currently employing 3.9 per cent of Victoria's workforce, the Wholesale Trade sector is forecast to increase this proportion to 4.7 per cent by 2018. This will add an additional 34,400 jobs to the State economy, with 84.6 per cent of these new jobs in the Melbourne area. Based on existing trends, the vast majority of these (83.3 per cent) will be full-time positions.
- Output is expected to increase by 32.9 per cent to 2018, increasing the sector's share of State output from 5.9 per cent in 2010-11 to 6.5 per cent by 2017-18.
- Wholesale Trade is one of the few sectors in Victoria where productivity per worker rates currently outperform the national average (8.8 per cent higher).

Figure 7.92: Forecasts to 2018 and 2011 current workforce age & qualifications



Key training challenges for the industry

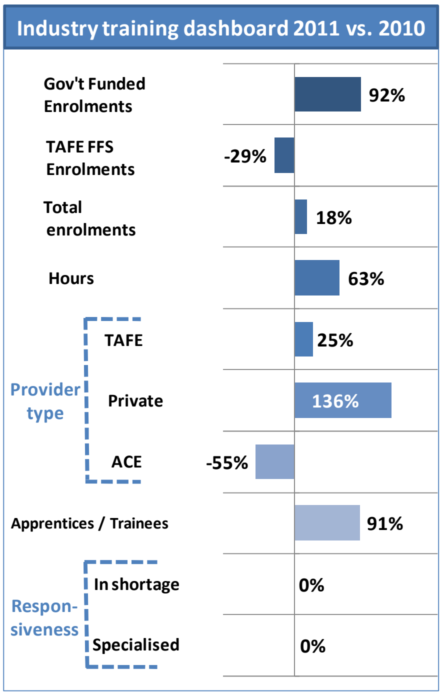
- There are no identified skills shortage occupations in this industry.

Figure 7.93: Industry training comparisons

	2008	2009	2010	2011
Wholesale Trade	498	254	385	740
Year-on-year % change		-49.0	51.6	92.2
% change across all industries		*-1.2*	*13.3*	*28.7*

Training Delivery Overview

- VET government funded enrolments in Wholesale Trade increased sharply from 385 in 2010 to 740 in 2011, an increase of 92 per cent. Overall, enrolments in the Wholesale Trade industry comprise a relatively small proportion of total enrolments (0.2 per cent).

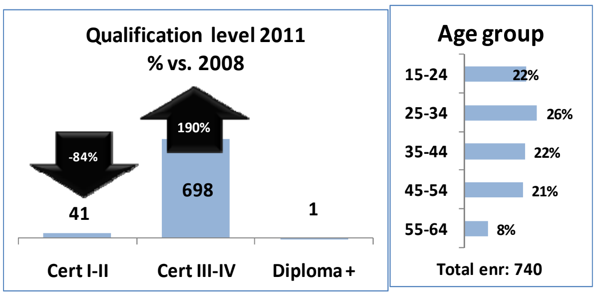


- Enrolments at Cert III-IV level increased sharply during 2009-2011 to comprise 77 per cent of enrolments in 2011 (compared to 63 per cent in 2010 and 40 per cent in 2009).
- The principal qualification in the industry is the Certificate III in Wholesale, accounting for three quarters of enrolments in 2011. Enrolments in this qualification more than doubled during 2010-2011 (up by 147 per cent).
- The remaining 25 per cent of enrolments are in courses specifically related to horticulture, including Certificate II, III and IV in Horticulture (Wholesale Nursery).

Training Breakdown

- Males continue to account for the majority of enrolments (70 per cent in 2011).

Figure 7.94: Government funded enrolments



- Approximately half of enrolments in the industry are currently by students aged 35 years and over (52 per cent), and enrolments in this age group more than doubled during 2010-11. In contrast, the share of enrolments among 15-24 year olds declined from 32 per cent in 2010 to 22 per cent in 2011.

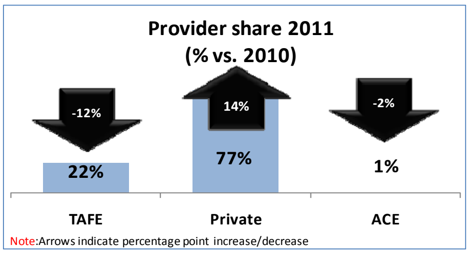
Top qualifications	2011
Certificate III in Wholesale	553
Certificate III in Horticulture (Wholesale Nursery)	141
Certificate II in Horticulture (Wholesale Nursery)	40
Certificate IV in Horticulture (Wholesale Nursery)	4
Diploma of Horticulture (Wholesale Nursery)	1
These 5 courses accounted for 100% of all government funded Wholesale Trade training	

- Note that the industry Professional, Scientific and Technical Services includes enrolments against the occupation Importer or Exporter, training in the Cert IV-Advanced Diploma in International Trade and Business. Enrolments in this occupation have decreased from 1,061 in 2008 to 407 in 2010 and 399 in 2011.

Training Providers

- The majority of enrolments are delivered by private RTOs (77 per cent), with a further 22 per cent delivered by TAFE institutions. The general trend has been for an increase in the market share of private RTOs (up from 24 per cent in 2008 and 63 per cent in 2010).

Figure 7.95: Training provider share of enrolments



Note: all enrolment figures relate to VET government funded training only, unless otherwise stated.

Appendix: Notes for Regional Training Profiles

The analysis of VET market data uses Skills Victoria's definitions of regional areas, based on government administration regional boundaries.

Note that the population and employment data collated for this document is based on Australian Bureau of Statistics Australian Standard Geographical Classification and in some instances may not entirely correspond to the regional boundaries on which the VET enrolment data is based. Sections of this analysis use the Australian and New Zealand Standard Industrial Classification (ANZSIC) 2006 (ABS cat no. 1292.0). Please see report section *Data notes for Industry Training Profiles* for details of the methodology used to align qualifications to industries.

Data Sources

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Victorian Student Statistical Data Collection.

Western Melbourne Regional Development Australia Committee (2011) Melbourne's West – Victoria's Gateway: a Regional Plan

Appendix: Data Notes for Responsiveness of Victoria's Training Market and Industry Training Profiles

- Except where specified, all data refers to government funded, State or nationally accredited VET enrolments by domestic onshore students
- All Industries used as defined by ABS ANZSIC 2006 (ABS cat 1292.0)
- All Occupations used as defined by ABS ANZSCO 2006 (ABS cat no. 1220.0)
- Qualifications have been matched to Occupations at the ABS ANZSCO (2006) Occupation (6 digit) level, and to Industries at the ABS ANZSIC (2006) Industry (1-digit) level
- Classification of training courses against occupations and industries for the purposes of this analysis varies from that used in DEEWR's training.gov.au database. Extensive consultation with industry and training advisory bodies was undertaken in 2011 regarding the 'real world' training outcomes – what occupational role, for instance, might a graduate of a qualification be relied on to perform after six months on the job. This revised measure allows a significantly more precise and relevant analysis of the responsiveness of the training system to industry skills needs. In addition to industry input, qualifications have been classified on the basis of:
    - <u>consistency:</u> ensuring older qualifications match newer qualifications
    - <u>currency:</u> ensuring qualifications match contemporary community and industry definitions of occupations and industry subsectors
    - <u>lay understanding:</u> ensuring classifications are consistent with a non-expert understanding of an occupation (within the bounds of accuracy)
    - <u>predominant employment outcome:</u> in cases where a qualification is routinely deployed in a number of occupations or industries, Monash *CoPS* employment data has been used to determine the larger relevant employer
- Skills shortage occupations are those on the Skills Victoria (2012) list of Occupations with Skills Shortages, compiled with reference to advice from the Victorian Industry Training Advisory Boards (ITABs), DEEWR published lists of Victorian skills shortages, and consultation with industry and workforce-planning branches and organisations. These occupations have been identified and matched at the ANZSCO Occupation (6-digit) level
- Specialised occupations are those on the Skills Australia (2011) list of Specialised Occupations. These occupations have been identified and matched at the ANZSCO Occupation (6-digit) level
- Economic forecasts are as at 30 June of the relevant year
- Employment and Economic Output data from Monash *CoPS* database, June 2011
- Business base data from ABS *Count of Australian Businesses*, June 2009
- Age-profile data for the Victorian workforce, by industry has been taken from the Australian Bureau of Statistics' Quarterly Labour Force Survey data for the four quarters of 2011. An average over the four quarters has been calculated, and due to rounding of totals in the source data, figures do not always total 100 across all age groups. The data presented in this report has been rebased to total 100 across all age groups. This has had the effect of generally altering the figures by 0.1 – 0.5 percentage points for each age cohort, with the exception of the Mining sector, where limited data at source has impacted slightly more
- All training data from the Skills Victoria Training System (SVTS) database