



VICTORIAN TRAINING MARKET REPORT: HALF YEAR 2017

The Victorian Government's Skills First reforms of the TAFE and training sector were implemented from 1 January this year. The reforms are based on a commitment to provide high quality training leading to real jobs, and a number of improvements have been introduced to ensure the training system better meets the needs of industry and individuals.

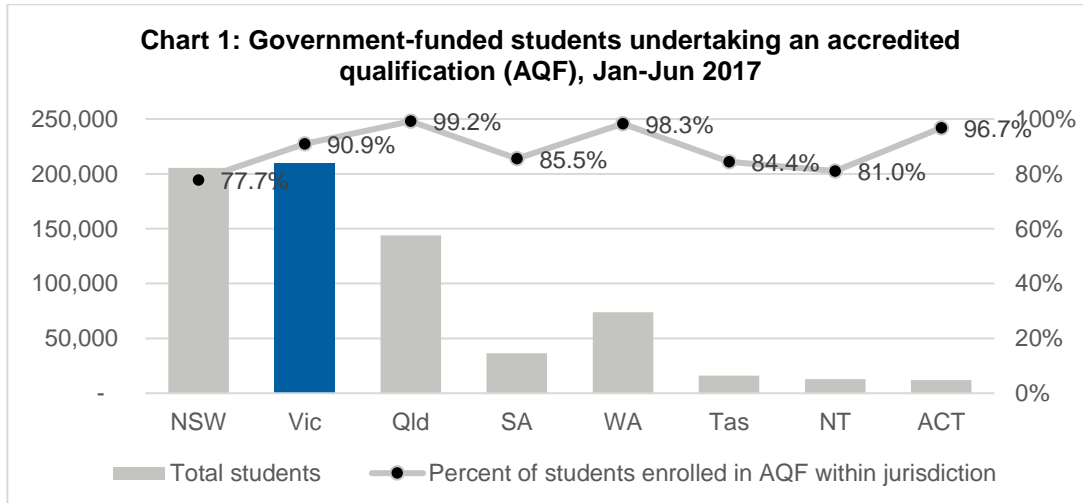
While the benefits of the overhaul of the TAFE and training sector will take time to be fully realised, this half year report covering January to June 2017 shows that the new training market settings are having a positive impact for key industries and key student cohorts, particularly through the TAFE network.

Overview

Between January and June 2017, 230,500 students were enrolled in government-funded Vocational Education and Training (VET) in Victoria.

When focusing on students undertaking training which leads to a qualification under the Australian Qualifications Framework (AQF), i.e. those courses most likely to lead to improved job outcomes; Victoria reported the largest number of students across all jurisdictions, with 209,600 enrolled in AQF qualifications (90.9 per cent of all students, compared to the overall Australian average of 88.2 per cent).

Victoria also reported the second largest number of students in government-funded VET of any state.

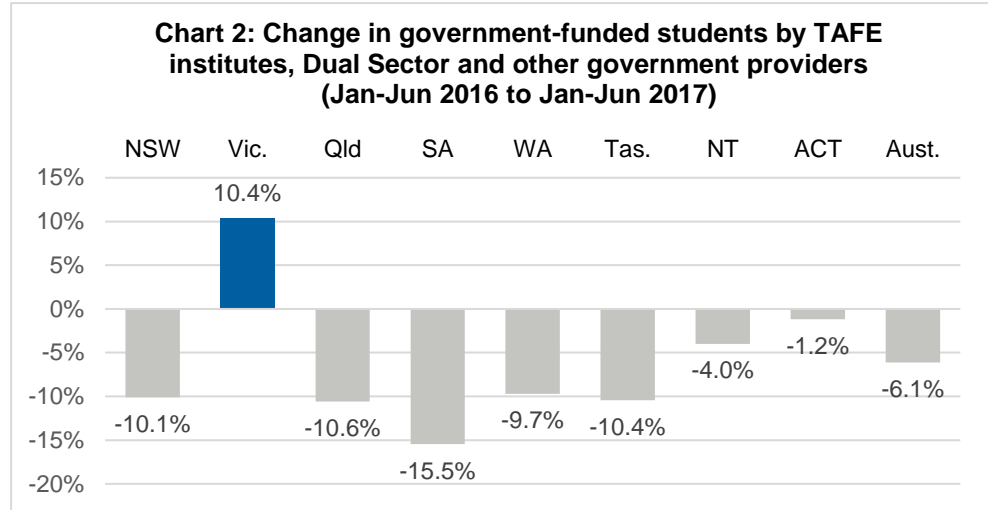


Overall, student numbers in Victoria declined by 5.2 per cent in the first half of 2017 when compared with the same period in 2016. This decline was in line with national trends, with student numbers across Australia reducing by 5.3 per cent over the same period¹.

¹ The figures presented in the Overview section are compiled by the National Centre for Vocational Education Research (NCVER). They differ slightly from the Victorian data because of the application of a number of different statistical treatments to ensure consistency across jurisdictions and the inclusion of Commonwealth funded training activity.



Victoria has made a significant commitment to supporting the TAFE system as part of the Skills First reforms. This commitment is now showing positive returns as Victoria is the only state to show an increase in the number of government-funded TAFE and Dual Sector University students between January - June 2016 to January - June 2017.



The rest of this report presents data submitted to the Department of Education and Training by contracted training providers, and presents a summary of training activity in the first half of 2017, compared to the same period in 2016, to highlight changes over time.

Government-funded VET in Victoria

Between 1 January and 30 June 2017, there were 118,349 new course enrolments (commencements) in government-funded VET across Victoria and 122,313 continuing enrolments (i.e. students continuing their course from previous years). Of these, TAFE/Dual Sector Universities accounted for 47.3% of commencements (56,018); 40.9 per cent of continuing enrolments and 44 per cent of total enrolments in the period January – June 2017.

Table 1: Government-funded VET delivery

	Jan – Jun 2016	Jan – Jun 2017	Percentage change
New enrolments (commencements)	131,966	118,349	-10.3
o TAFE/Dual Sector delivery	53,298 (40.4%)	56,018 (47.3%)	+5.1%
Continuing enrolments	133,058	122,313	-8.1
o TAFE/Dual Sector delivery	44,418 (33.4%)	49,972 (40.9%)	+12.5%
Total enrolments	265,024	240,662	-9.2
o TAFE/Dual Sector delivery	97,716 (36.9%)	105,990 (44.0%)	+8.5%

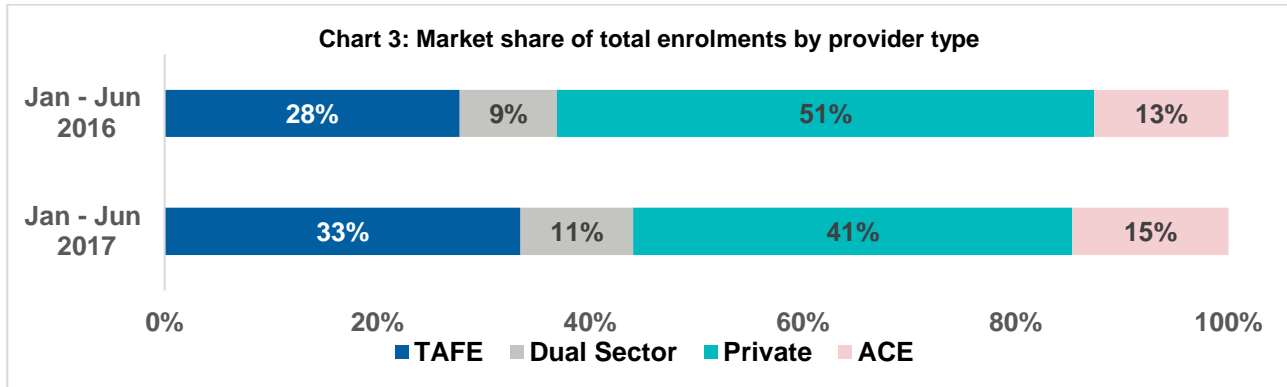
Note: proportion of delivery by TAFE/Dual Sector Universities shown in brackets.

Overall, new enrolments (commencements) represent 49.2 per cent of training activity funded in the first half of 2017, similar to the same period in 2016, while continuing enrolments represent just over half of all total government-funded VET delivery.



Training activity by provider type

TAFEs and Dual Sector Universities accounted for 44 per cent of the market share of total enrolments in the six months to the end of June 2017, compared to 37 per cent for the same period in 2016. Adult and Community Education (ACE) providers have also seen an increase in their overall market share, while private providers have seen a decline.



Training for real jobs

Skills First prioritises funding to courses that align with industry needs and workforce demands, have strong job outcomes and are linked to government priorities that are of greatest value to the Victorian economy. These include Apprenticeships, Infrastructure and Rail, and courses supportive of National Disability Insurance Scheme (NDIS) and Family Violence related occupations.

Table 2: Government-funded commencements in government priority areas

	All provider types Jan – Jun 2017		TAFE/Dual Sector only
	Commencements	Proportion of all commencements	% increase: Jan-Jun 2016 to Jan-Jun 2017
Apprenticeships	8,708	7.4%	8.2↑
Family Violence and NDIS*	21,600	18.3%	9.0↑
○ Family Violence	21,458	18.1%	9.0↑
○ NDIS	10,423	8.8%	11.3↑
Infrastructure and Rail*	6,208	5.2%	3.5↑
○ Infrastructure	6,208	5.2%	3.5↑
○ Rail	5,217	4.4%	3.7↑

Notes: *Almost all courses that support the NDIS related workforce also support the Family Violence workforce, and all courses that support Infrastructure related occupations also support Rail. Apprenticeships that support Family Violence/NDIS and Infrastructure/Rail have been excluded from the FV/NDIS and Infrastructure/Rail figures to avoid double counting.

Delivery by TAFEs and Dual Sector Universities in these courses increased in the first half of 2017 when compared with the same period in 2016, and accounted for 47.3 per cent of all commencements in 2017, compared to 40.4 per cent in 2016. This highlights that the TAFE network is responding positively to the government's priority workforce areas.



Table 3: Commencements by broad industry area

Commencements: Jan – Jun 2017	
Health Care and Social Assistance	22,819
Construction	15,597
Professional, Scientific and Technical Services	5,773
Education and Training	4,994
Manufacturing	4,830

Table 3 summarises commencements between January and June 2017 in some of the key employing sectors of the Victorian economy, with high levels of commencements in Health Care and Social Assistance and Construction. These five industry areas represented 40 per cent of commencements in the first half of 2017, 57.2 per cent of which were delivered by TAFEs/Dual Sector Universities.

Note: Commencement numbers shown in Table 2 are also represented at the broad industry level in Table 3.

Key cohorts

One of the aims of Skills First is to ensure that the government-funded VET system in Victoria is equitable and addresses disadvantage.

Alongside the Adult and Community Education sector, TAFEs and Dual Sector Universities play a critical role in achieving this aim. For example, between January and June 2017, of all 118,349 commencements (see Table 1), 38.7 per cent were by students who had no prior Certificate III (aged 20-64) and 30 per cent were by students who were unemployed.

TAFEs and Dual Sector Universities have also increased their delivery across almost all key cohorts between the first half of 2016 and 2017, especially with Culturally and Linguistically Diverse (CALD) students, Indigenous students, those with no prior Certificate III and women.

Table 4: Total commencements in key student cohorts

	Total commencements (all providers)		Delivery by TAFE/Dual Sector	
	Number of commencements Jan-Jun 2017	Proportion of all commencements Jan-Jun 2017	% of total commencements in key cohort Jan-Jun 2017	% increase: Jan-Jun 2016 to Jan-Jun 2017
Early school leavers (aged 15-19)	7,049	6.0%	76.6%	-1.5↓
No prior Certificate III (aged 20-64)	45,773	38.7%	47.7%	+7.3↑
Indigenous	2,258	1.9%	45.6%	+8.0↑
People with a disability	18,293	15.5%	34.4%	+2.4↑
Women	62,998	53.2%	41.0%	+6.9↑
CALD	40,500	34.2%	37.1%	+14.5↑
Unemployed	35,556	30.0%	36.7%	+4.7↑

Notes: Students may be represented in more than one key cohort e.g. student may have no prior Certificate III AND have a disability. CALD – Culturally and Linguistically Diverse (that is, speak a language other than English at home).



Sources of data

- Department of Education and Training's training activity database, referred to as Skills Victoria Training System (SVTS) for all tables and charts with the exception of Charts 1 and 2. SVTS only includes data submitted by providers with a Victorian Government contract.
- Data presented in Charts 1 and 2 is sourced from *Government-funded students and courses January to June 2017*, and *Government-funded students and courses January to June 2016*, National Centre for Vocational Education Research (NCVER) and is provided to set the Victorian TAFE and training system in the national context.

Definition of government-funded

- Government-funded VET training **reported by the NCVER** is broadly defined as Commonwealth and state/territory government-funded training delivered by TAFE institutes and other government providers, community education and other registered providers. This also includes a small proportion of training activity in receipt of government funding from other Victorian Departments and offshore students engaged in Victorian government-funded training. NCVER's definition of other government providers includes government-owned and managed education facilities/organisations, other than TAFE institutes, that deliver VET (e.g. agricultural colleges and higher education institutes).
- The scope of government-funded activity from the **internal Departmental data** derived from the Skills Victoria Training System (SVTS) includes only activity funded by the Department of Education and Training, and reporting in Training Market Reports focuses only on onshore domestic students in Victoria.

Other notes about the data

- Data is **'as reported' by 30 June. This data is therefore considered to be preliminary** for commencements as training providers have a defined period (60 days in 2017 and 90 days in 2016) within which they can still submit commencement data for previous months.
- SVTS data presented in this report relates only to **domestic onshore students**, and excludes onshore international and offshore students. A domestic student is a student that resides and undertakes training in Australia.
- The data includes all **accredited and pre-accredited training**. Accredited training leads to vocational qualifications and credentials that are recognised across Australia. Pre-accredited training focuses on foundation and modular learning opportunities, that are often customised to meet the needs of the learner, but do not have formal assessment or a credential awarded.
- The **Australian Qualifications Framework (AQF)** is a unified system of national qualifications in schools, VET and the higher education sector.
- If a student has enrolled with more than one training provider, it is possible for them to be counted more than once, so government-funded **student counts** may be inflated. A small number of students enrol in more than one course at a time at a training provider. Each enrolment is counted as unique, therefore the number of **enrolments/commencements** is always slightly larger than the total number of students.
- Training providers must have a government contract to deliver government-funded training, and they are classified into four **training provider types**. There are twelve TAFEs and four Dual Sector Universities across Victoria. Adult and Community Education (ACE) training providers also include Learn Locals and predominantly deliver pre-accredited training. Private training providers are commercial organisations.