# Training Market Highlights: Half Year 2019

## THE GOVERNMENT FUNDED TRAINING MARKET IS GROWING ACROSS ALL SECTORS

Public confidence in the Victorian TAFE and training system has been restored. The new market settings under *Skills First* are having a positive impact on training quality, and more students are engaging with vocational education and training (VET) across all sectors.

### Free TAFE is building public confidence and improving access to study at TAFE

In 2019, the introduction of the *Free TAFE for Priority Courses* initiative (*Free TAFE*) continues the improvements made to the VET system over recent years, progressing towards a strengthened TAFE Network. *Free TAFE* aims to lift quality and improve access for students to study at TAFE, giving Victorians the skills they need to secure rewarding jobs.

*Free TAFE* has seen 25,550 commencements in the first half of 2019 which accounts for 92 per cent growth. *Free TAFE* has had a positive effect on the overall government-funded VET system, with 10 per cent more students having commenced across the system by the first half of 2019 compared to the same period in 2018. Largely, these additional students are in TAFE and Dual Sector Universities where there have been 20 per cent more commencements than this time last year. The TAFE Network market share continues to strengthen, and now accounts for 53 per cent of Victorian government-funded VET (up 4 percentage points since the first half of 2018). Commencements remain stable at Adult Community Education (ACE) providers and private providers.

### Training is improving outcomes for all Victorians

The TAFE and training system continues to play a pivotal role in supporting our most disadvantaged and/or disengaged students to access and stay connected with training. There has been greater participation in training from Indigenous students, students with a disability and unemployed students.

#### FREE TAFE COMMENCEMENTS

There were 25,550 Free TAFE commencements in the period January to June 2019, a growth rate of 92 per cent compared to the 13,330 commencements in the same courses in the corresponding period in 2018.

#### GOVERNMENT-FUNDED COMMENCEMENTS BY PROVIDER TYPE, JANUARY–JUNE 2019

There were 64,340 commencements in the TAFE Network in the period January to June 2019, compared to 53,420 for the corresponding period in 2018.

There were 30,880 commencements at Adult Community Education (ACE) providers in the period January to June 2019, compared to 31,000 for the corresponding period in 2018.

There were 25,300 commencements at private providers in the period January to June 2019, compared to 25,220 for the corresponding period in 2018.

#### CHANGE IN GOVERNMENT-FUNDED COMMENCEMENTS BY KEY COHORTS, JANUARY TO JUNE 2019 COMPARED TO JANUARY TO JUNE 2018

In January to June 2019, there were 18,060 commencements by students with a disability, a growth rate of 6 per cent (960 commencements) compared to the corresponding period in 2018.

In January to June 2019, there were 2,420 commencements by Indigenous students, a growth rate of 7 per cent (150 commencements) compared to the corresponding period in 2018.

In January to June 2019, there were 55,950 commencements by students with no prior Certificate III aged 20 to 64, a growth rate of 10 per cent (5,220 commencements) compared to the corresponding period in 2018.

In January to June 2019, there were 9,760 commencements by early school leavers aged 15 to 19, a decrease of 0 per cent (10 commencements) compared to the corresponding period in 2018.

In January to June 2019, there were 33,570 commencements by unemployed students, a growth rate of 12 per cent (3,670 commencements) compared to the corresponding period in 2018.

In January to June 2019, there were 84,400 commencements by students in at least one of these priority cohorts, a growth rate of 10 per cent (7,490 commencements) compared to the corresponding period in 2018.

Note: These cohort categories are not mutually exclusive.

## DELIVERING HIGH QUALITY TRAINING THAT IS STRONGLY ALIGNED TO JOBS

The *Skills First* reforms have continued to better align VET to Government priority areas. There has been an overall growth of 8 per cent in enrolments (i.e. both commencements and continuing students) in courses aligned to at least one Government priority area. This growth is concentrated in courses that support the National Disability Insurance Scheme (NDIS), Family Violence and Infrastructure workforces. This year Victoria re-introduced Trade Papers to signal apprenticeship completion and quality skills to employers. Since the re-introduction, over 700 Trade Papers have been issued. This improved alignment to industry needs and workforce demands will support and drive forward the Victorian economy into the future.

*Skills First* and other reforms have helped to create a stronger Victorian TAFE and training system through improved access to training in regional Victoria. There has been an overall growth of 12 per cent in government-funded commencements in regional Victoria. The growth is especially pronounced in government priority courses such as the Diploma of Community Services and Diploma of Nursing. The TAFE Network leads regional growth and improved engagement with place-based training. Recognising the diversity of needs across Victoria, the Regional and Specialist Skills Fund (RSTF) aims to meet industry demands for specialised skills. RSTF has helped fund over 100 projects since its launch in 2017 to bring training solutions to industry needs.

The *Skills First* reforms have helped refocus skills development towards workforce needs. The top three industries by commencements are in Health Care and Social Assistance, Education and Training and Construction. In all three industries, the TAFE Network is leading in commencements growth.

### Work is progressing to maintain the momentum under *Skills First*

Work continues under *Skills First* to further restore TAFEs as system leaders, strengthen training quality and deliver training with a strong connection to jobs. VET is playing a pivotal role in skilling workforces for key projects that benefit all Victorians, including training that supports the expansion of kindergarten for all three-year-old children, supporting the Big Build, and the Royal Commission into Victoria’s Mental Health System.

#### GOVERNMENT-FUNDED ENROLMENTS IN GOVERNMENT PRIORITY AREAS

There were 28,290 enrolments in training supporting the National Disability Insurance Scheme (NDIS) in the period January to June 2019, a growth rate of 26 per cent compared to the corresponding period in 2018. TAFE Network enrolments in these courses grew by 54 per cent over the same period.

There were 15,390 enrolments in training supporting Family Violence prevention in the period January to June 2019, a growth rate of 19 per cent compared to the corresponding period in 2018. TAFE Network enrolments in these courses grew by 27 per cent over the same period.

There were 42,020 enrolments in training supporting Infrastructure projects in the period January to June 2019, a growth rate of 4 per cent compared to the corresponding period in 2018. TAFE Network enrolments in these courses grew by 7 per cent over the same period.

There were 40,580 enrolments in Apprenticeships in the period January to June 2019, a growth rate of 3 per cent compared to the corresponding period in 2018. TAFE Network enrolments in these courses grew by 6 per cent over the same period.

There were 7,840 enrolments in High-Value Traineeships in the period January to June 2019, a growth rate of 6 per cent compared to the corresponding period in 2018. TAFE Network enrolments in these courses grew by 3 per cent over the same period.

Note: Government Priority areas are not mutually exclusive.

#### GOVERNMENT-FUNDED COMMENCEMENTS GROWTH BY REGIONS

Commencements in Regional Victoria increased by 2,990 from January to June 2018 to January to June 2019.

Commencements in Loddon Mallee increased by 10 per cent from January to June 2018 to January to June 2019.

Commencements in Hume increased by 13 per cent from January to June 2018 to January to June 2019.

Commencements in Gippsland increased by 10 per cent from January to June 2018 to January to June 2019.

Commencements in Grampians increased by 11 per cent from January to June 2018 to January to June 2019.

Commencements in Barwon South West increased by 13 per cent from January to June 2018 to January to June 2019.

Commencements in Metropolitan Melbourne increased by 7,910 (9 per cent) from January to June 2018 to January to June 2019.

#### TOP 3 INDUSTRY AREAS FOR GOVERNMENT-FUNDED COMMENCEMENTS, JANUARY TO JUNE 2019

The three industry areas with the greatest volume of government-funded commencements in the period January to June 2019 were Health Care and Social Assistance, Education and Training and Construction.

## DATA NOTES

### Data source

The source of data in this report is DET’s training activity database referred to as the Skills Victoria Training System (SVTS). This administrative data is reported to DET by government-funded training providers. SVTS data included in this report may differ to previous publications as classifications are updated from time to time to improve data quality and consistency across years. In addition, changes to reporting and data standards may lead to minor revisions to data previously reported. SVTS data presented in this report is not comparable to other publicly available data such as:

• National Centre for Vocational Education Research (NCVER) data – the information reported by NCVER is sourced from data submitted by all states and territories. While the NCVER data for Victoria is sourced from data submitted by the Victorian Department of Education and Training, due to statistical and counting rules there will be marginal differences between Departmental data and NCVER data.

• Budget Paper No. 3 (Chapter 2–Department performance statements) because of differences in counting rules and definitions.

The measures used in this report are course commencements and course enrolments. Course commencements show the number of new (those that begin) course enrolments in a given year, as courses often take more than one year to complete. Course enrolments include both new commencements and continuing enrolments. A student may be enrolled in more than one course at a training provider during a given reporting period.

### Data scope

This report covers government-funded training activity only. Training activity for January to June 2019 is compared with the same period in 2018 to provide a picture of changes and trends over time.

### Learn Local and Adult and Community Education (ACE)

The Training Market Highlights classifies providers as TAFE Network (which includes both TAFEs and Dual Sector Universities), Adult and Community Education (ACE) or private. Only Learn Local organisations report activity through to the Adult, Community and Further Education Board, while ACE organisations are self-identified and are not required to do so. Some Learn Local organisations self identify as private RTOs and are therefore not included in the ACE definition.

### Industry classifications

All industry titles and classifications included in this Report are defined as per the Australian and New Zealand Standard Industrial Classifications (ANZSIC). For more information, see: www.abs.gov.au/ANZSIC.

Where a qualification is considered relevant across several industries, enrolments have been proportionally allocated across relevant ANZSIC industries using employment data as a guide.

### Regional analysis

Data on regional training is reported by the region in which the training was delivered (as distinct from the region where the student lives). Note a course can be delivered to a student across multiple regions. In these cases the course commencement will be counted in each region in which it was delivered. Consequently, for data presented by delivery region, totals may not match the sum of their components.