Guaranteed funding for TAFEs must be an election issue



State and Federal Governments must guarantee TAFEs at least 70 per cent of overall VET funding and limit government subsidies to private providers, the AEU said today.

AEU Federal TAFE Secretary Pat Forward said the TAFE system was under threat from policies which encouraged dodgy private providers and stripped funding from TAFEs.

“At the AEU’s TAFE Annual General Meeting today we have committed to campaigning at the upcoming Federal election for stronger controls on private providers, a suspension of the VET FEE HELP scheme and a guarantee of funding for TAFEs,” Ms Forward said.

“We need a commitment to limit the proportion of VET funding tendered to the private sector to 30 per cent, to ensure TAFEs retain their capacity to provide quality training to all Australians who need it.

“It is now clear that privatisation of VET and the introduction of the disastrous VET FEE-HELP scheme has not increased the choice or quality of training, but has simply delivered profits to private providers at the expense of taxpayers and students.

“This has reduced trust in the entire VET system and seen thousands of students saddled with huge taxpayer-funded debts for worthless qualifications.

“The great concern is that if we lose the experience and capacity of TAFEs we will be unable to rebuild it and students will be left with a sub-standard system.”

Ms Forward said that the rapid expansion of funding that could be contested by private providers, together with a lack of regulation had left TAFEs struggling to compete with shonky providers.

“Nationally, more than $2.4 billion (around 46 per cent) of government funding is now allocated contestably. More than $1.5b of this funding goes directly to private for-profit providers; an increase of 222 per cent since 2005.

“On top of this, private providers are milking the disastrous VET FEE-HELP scheme which has blown out from $25 million in 2009 to an astronomical $4 billion in 2015, 80 per cent of which is going to the for-profit sector.

“Some of the biggest private for-profit colleges are now making taxpayer-funded super-profits which recent University of Sydney research shows is in the order of 30-50 per cent.

“They are only able to do this by cutting corners in the quality of training they provide. They reduce hours, contract out teaching and use unethical and misleading methods to sign up students.

“It is a national shame that governments have allowed the proliferation of private for-profit colleges which prey on some of the most disadvantaged people in our community, many of whom will now be in a position where they will carry a lifetime of debt for a worthless qualification, or no qualification at.”

As a matter of urgency, the AEU calls on all governments to:

- Guarantee a minimum of 70 per cent of recurrent government funding go to TAFE;
- Immediately cap the amount of government VET funding open to competition from private providers to 30 per cent nationally;
- End funding cuts to TAFE colleges and restore funding removed from the TAFE system;
- Suspend the VET FEE HELP scheme, and regulate the fees and other charges for VET qualifications;
- Mandate a minimum number of hours that providers must deliver for VET qualifications;
- Ban unregistered providers from delivering national VET qualifications, or receiving directly or indirectly government VET funding;
- Ban the use of brokers to sign up students;
- Publicly recognise and affirm the important role of TAFE as the public provider in providing access to training and re-training in areas of high and low demand, and, particularly, in rural and remote areas and in support of improved access and participation for disadvantaged learners.

Authorised by Sally Dennis, General Secretary, The State School Teachers' Union of W.A.
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