

TAFE cuts will keep hurting Mr Baillieu



I often wonder if the Baillieu Government understands why cutting \$300 million from TAFE has been met with widespread condemnation.

From peak employer bodies to unions, local councils to the Prime Minister, students to university academics, and farmers to tradesmen, there is unanimous agreement the decision is wrong.

Today TAFE students and their parents from around the state will meet Chris Evans, the federal Minister for Tertiary Education, to air their concerns about the cuts, while tomorrow night the City of Geelong is holding a town hall meeting to help people understand their impact.

TAFE is a vital component of Victoria's key export -- tertiary education. Why would you bite the hand that feeds you?

Rather than supporting tertiary education's potential to be Victoria's equivalent to a mining boom, the Government delivered the biggest cut to TAFE in history.

The cuts will directly result in 2000 redundancies or more. Large numbers of courses are going to be cut, sharp rises in student fees are imminent and there will be closure of facilities.

Some Victorian regions have simply lost the capacity to train locally in many fields of study, even for skills that are in hot demand. In communities where skills enrichment is needed, they are reeling at the impact.

The Government's justification for the cuts was a blowout in "lifestyle courses" and unsustainable growth in the cost of training, primarily delivered by a booming private sector.

Growth figures in the order of 1000 per cent were seen for courses of questionable vocational merit and an unregulated oversupply. TAFE enrolment growth in the past three years was 4 per cent. This compared with 308 per cent, mostly in metropolitan Melbourne, for private training organisations.

The Government is right to seek to rein in the oversupply for these courses -- as TAFE providers have been advising government on many occasions over the past three years. But the Government has got it wrong.

The new formula for funding training ensures there won't be an oversupply in the future. There will be no supply in many areas of real courses leading to real jobs!

The cruel irony is there has never been a more important time for a viable and effective TAFE system to be running full-steam in Victoria.

The strong reactions of Victorians may have surprised the Government, but it did not surprise the TAFEs.

In December a poll of more than 800 Victorians and 200 business owners and managers found that more than 84 per cent thought the TAFE sector was too important to be cut and that the Government should be investing more money in TAFE.

While TAFE was asking the public what they wanted -- the Government had adopted a different approach.

What did they learn? Briefings from government indicated their predictive modelling of the cuts -- done with the assistance of consultants -- did not factor in "course withdrawal, campus closure, the cost of redundancies, and impact on fees".

In short they got it wrong.

TAFE training did not blow out the vocational training budget, yet it is the key target of the budget cuts. Where is the electoral mandate for this action?

It isn't rocket science to fix this situation within the current budget parameters.

TAFE is not seeking more money than currently budgeted for; it is seeking a redistribution of the available funds underpinned by the restoration of funding of \$170 million a year to fund our community service obligations.

Yes, obligations -- not discretionary items.

The solution is clear; if there are skill shortages, let an open market encourage growth in enrolments and completions.

Or if there is oversupply in areas of study, fund only specific numbers of enrolments with TAFE and a limited number of high-quality private training providers.

Each year the Government should examine the evidence for what the state, communities and industry need from its training system, and fund it accordingly.

It is clear the Government must accept that it acted on bad advice and move on.



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