

**Question Time Brief – Skills and Training**

QB24-000003

Last Updated by Department: November 2024

**Fee-Free TAFE & TAFE Technology Fund**

(This is an election commitment)

**HEADLINE**

- The purpose of Fee-Free TAFE is to support training places in areas of high demand and skills need, provide access to priority cohorts, including the most vulnerable, and support students by removing financial barriers to study.
- The Australian Government will introduce a Fee-Free TAFE Bill this year to establish ongoing Commonwealth support for Fee-Free TAFE. We have committed to funding 100,000 Fee-Free TAFE places from 1 January 2027.
- Fee-Free TAFE has been a success – from 1 January 2023 to 30 June 2024, there have been over 508,800 enrolments in Fee-Free TAFE courses.

**TALKING POINTS**

- Through the Fee-Free TAFE Skills Agreement, the government has partnered with states and territories to invest over \$1.5 billion to deliver:
  - 500,000 Fee-Free TAFE places over 2023-2026. This includes:
    - 180,000 Fee-Free TAFE places in 2023 (Tranche 1)
    - 300,000 Fee-Free TAFE places over 2024-2026 (Tranche 2)
    - 20,000 Fee-Free TAFE construction places over 2025-2026 (Fee-Free Construction). This is currently being negotiated with state and territory governments.
  - the \$50 million TAFE Technology Fund
  - \$7 million to support essential VET data reforms.
- The government is contributing almost \$1 billion of the overall \$1.5 billion investment to deliver Fee-Free TAFE with states and territories.
- The TAFE Technology Fund is investing \$50 million to modernise IT infrastructure, workshops, laboratories, and other facilities at TAFEs across Australia.
- The VET data streamlining project is focused on improving the collection and use of VET activity data. Funding was provided under the Fee-Free TAFE Skills Agreement to supported states and territories with transition planning over 2023.

**Question Time Brief – Skills and Training**

QB24-000003

Last Updated by Department: November 2024

- Fee-Free Construction aims to remove cost barriers for eligible students and incentivise Australians to train in courses essential for the housing and construction sector.
  - The pre-apprenticeship places will support more people to move into a construction apprenticeship and succeed in training, by providing students with a taste of what working in the industry is like.
- The Fee-Free TAFE Bill will establish ongoing financial support to states and territories for at least 100,000 Fee-Free TAFE places, subject to terms and conditions being agreed between the Commonwealth and the states.

**KEY FACTS & STATS****Fee-Free TAFE**

- From January 2023 to 30 June 2024 states and territories have reported over 508,800 enrolments in Fee-Free TAFE courses ([Attachment A](#)).
  - At the conclusion of Tranche 1 on 31 December 2023, there were over 355,000 student enrolments in Fee-Free TAFE courses, against a target of 180,000 places.
  - As at 30 June 2024, Tranche 2 has already supported over 153,300 Fee-Free TAFE enrolments, against a target of 300,000 places (by the end of 2026), demonstrating Fee-Free TAFE is on track to exceed the target.
- Demographic data shows Fee-Free TAFE is supporting disadvantaged and in-need Australians, with enrolments from 1 January 2023 to 30 June 2024 including:
  - over 170,400 young people
  - over 124,300 job seekers
  - over 38,500 people with disability
  - over 30,000 First Nations Australians.
- Women make up the majority (almost 63 per cent) of enrolments, with over 317,400 women taking on a qualification under the program.
- Around a third of enrolments (35 per cent) are in inner and outer regional locations.

**Question Time Brief – Skills and Training**

QB24-000003

Last Updated by Department: November 2024

- From 1 January 2023 to 30 June 2024, the most enrolled Fee-Free TAFE courses were:
  - Certificate III in Early Childhood Education and Care
  - Certificate III in Individual Support
  - Diploma of Nursing
  - Certificate IV in Training and Assessment
  - Certificate IV in Accounting and Bookkeeping .

**KEY FACTS & STATS:****TAFE Technology Fund**

- Fourteen TAFE Technology Fund projects, announced as Election Commitments and worth \$28.2 million, were rolled out as part of Tranche 1.
- Ten projects, worth \$21.8 million, were rolled out through a targeted bids process as part of Tranche 2.
- All states and territories have at least 1 project funded under the Fund ([Attachment B](#)).

**IF ASKED****How is Fee-Free TAFE delivered?**

- Fee-Free TAFE is currently delivered through the *Fee-Free TAFE Skills Agreement* which is a schedule to the *Federation Funding Agreement - Education and Skills*. States and territories deliver the Fee-Free TAFE program through their TAFEs and in some instances, private RTOs.
- From 2027, Fee-Free TAFE will be delivered through a Fee-Free TAFE Act, subject to the Bill's passage through Parliament. Implementation details will continue to be settled through Agreements.
- The VET system is a shared responsibility between the Australian Government and state and territory governments. States and territories are responsible for running their own training systems, including decisions regarding courses in priority sectors and student eligibility.

**What is the difference between Fee-Free TAFE Tranche 1 and Tranche 2?**

- Fee-Free TAFE Tranche 1 is 2023 and Tranche 2 is over 2024 to 2026. The key differences for Tranche 2 include:
  - VET Workforce has been included as a priority industry to increase the pipeline of qualified VET trainers and assessors

**Question Time Brief – Skills and Training**

QB24-000003

Last Updated by Department: November 2024

- provides funding for 300,000 existing training places (as identified by jurisdictions) that are fully funded by the Commonwealth
- student support services being funded through existing states and territory programs.

**What is Fee-Free Construction?**

- In the 2024-25 Budget, the Australian Government committed to providing \$86.4 million to states and territories for 20,000 new Fee-Free TAFE and VET places in courses for the construction and housing sector.
- Fee-Free Construction will help provide critical skills needed in the construction sector quickly by providing students or apprentices with access to the right skills and experience, and by providing Australians with some relief from cost-of-living pressures.
- The pre-apprenticeship places will support more people to move into a construction apprenticeship and succeed in training, by providing students with a taste of industry experience before choosing to become an apprentice.

**Which courses are eligible through Fee-Free TAFE? What are the priority sectors?**

- States and territories have included courses relevant to priority sectors on their Fee-Free TAFE eligible course lists. States are also providing preferential consideration to the priority cohorts in applications for Fee-Free TAFE places.
- The Commonwealth and States agreed the following priority areas for Fee-Free TAFE Training (these sectors were outlined in the Government's election commitment):
  - agriculture
  - the care sector (aged care, health care, disability care)
  - construction
  - early childhood education and care
  - hospitality and tourism
  - manufacturing
  - sovereign capability (e.g. defence industries)
  - technology and digital
  - VET workforce from 1 January 2024.

### **Are state and territory Fee-Free TAFE course lists the same for both Tranche 1 and Tranche 2?**

- The course lists differ between Fee-Free TAFE Tranche 1 and Fee-Free Tranche 2. Fee-Free TAFE course lists are agreed between the Commonwealth and each state and territory. Selected courses for Tranche 2 align to the national priorities outlined in the Fee-Free TAFE Skills Agreement, and to state priorities that respond to local demand which have shifted in some jurisdictions since Tranche 1.

### **Who is eligible for Fee-Free TAFE? Who are the priority cohorts?**

- Eligibility for Fee-Free TAFE is set on a state-by-state basis and is available to a range of students. The Commonwealth and States agreed Fee-Free TAFE will be prioritised for the following groups:
  - First Nations Australians
  - young people (17-24)
  - people who are out of work or receiving income support payments
  - unpaid carers
  - women facing economic insecurity
  - women undertaking study in non-traditional fields
  - people with disability
  - certain categories of visa holders.

### **What happens when you reach 300,000 under Tranche 2?**

- Fee-Free TAFE Tranche 2 will deliver a further 300,000 Fee-Free TAFE and VET places from 2024 to 2026. Having only commenced on 1 January 2024, there still remains capacity within the 300,000 enrolment target for Tranche 2.
- The department works closely with states and territories to monitor take-up of places, with jurisdictions managing their programs to meet the local demand and supply for training places to ensure places are available over the forward three years.

### **Can private RTOs deliver Fee-Free TAFE?**

- While the primary purpose of the Fee-Free TAFE Skills Agreement is to deliver through TAFE, governments do not want to see a learner miss out on an opportunity to upskill where a TAFE may genuinely not be able to deliver training.

## Question Time Brief – Skills and Training

QB24-000003

Last Updated by Department: November 2024

- The government has been working closely with State and Territory governments to provide flexibility where it is appropriate for other providers to deliver training.

### **What is the government doing to ensure there is enough training in regional areas?**

- As at 30 June 2024, almost a third of enrolments (around 35 per cent) in Fee-Free TAFE courses have been in regional, rural and remote areas since it commenced on 1 January 2023.
- Through the TAFE Technology Fund, 11 out of 24 projects valued at a total of \$20.3 million are in regional locations, with regional projects making up almost half of all projects.

### **Are Fee-Free TAFE places really new places?**

- Under Tranche 1 of Fee-Free TAFE, funding was provided to support 180,000 Fee-Free TAFE places, including 60,000 new Fee-Free places. The 180,000 target was exceeded in June 2023.
- Based on reported enrolments to 31 December 2023 from states and territories for Tranche 1, almost 120,000 students enrolling were new Fee-Free places, while over 235,000 enrolments were students in existing places benefiting from fee savings.
- Tranche 2 of Fee-Free TAFE will make 300,000 existing places fee-free, allowing more students to benefit from fee savings.

### **If pressed about new students**

- Based on Government-funded students and courses 2023 released by the National Centre for Vocational Education Research (NCVER) on 10 July 2024, there was a 5.6% increase in government-funded TAFE program enrolments from 782,625 in 2022 to 826,630 in 2023. This demonstrates more people are participating in VET training.

### **How can you be certain Fee-Free TAFE numbers are not being double-counted?**

- Fee-Free TAFE figures are provided to the Commonwealth by states and territories through a reporting framework set out in the Fee-Free TAFE Skills Agreement.
- The Department has its own quality assurances processes and is unaware of any evidence of double counting with Fee-Free TAFE enrolments in the reporting provided by states and territories.

**How much does a student save from Fee-Free TAFE?**

- There is not a uniform fee saving by students from Fee-Free TAFE. Course fees in each state and territory are different, with some regulating course fees while others have unregulated course fees. Fees also vary between jurisdictions based on the costs of course delivery and level of subsidy provided by a state or territory.
- As an example of the fee variation nationally – students could save between \$955 in Queensland and \$2,519 in the Australian Capital Territory when enrolling in the Certificate III in Early Childhood Education and Care.

**[Completions] How many Fee-Free TAFE students completed their course?**

- Fee-Free TAFE has been operating for 22 months and we only have data for the first 18 months.
- The rate of completions is expected to increase over time.
  - Most courses supported by Fee-Free TAFE are full qualifications (88%) at Certificate III and above.
  - These courses take longer to complete, up to 3 years (with full-time study).
  - Students are at different stages of progress.
  - Enrolments include a mix of part-time and full-time qualifications which impact completion dates.
- From the start of Fee-Free TAFE in 2023 to 30 June 2024, there have been 71,363 completions in Fee-Free TAFE courses (see further information under [Media](#) below). [Note: this is 14% of total enrolments].

**Fee-Free TAFE communications campaign**

- On 8 October 2023 a 6-month Fee-Free TAFE campaign (television, digital video, digital socials) commenced to inform target audiences of the availability of Fee-Free TAFE training places available and direct them to the YourCareer website to find out more about courses, eligibility and where to enrol.
- The department received funding of \$4.4 million in the 2024-25 Budget to deliver additional communications activities, which are currently under development.

### **Which jurisdictions have signed the Deed of Variation to the Schedule to the Fee-Free TAFE Skills Agreement?**

- As at 24 October 2024, all jurisdictions except for Western Australia have signed the Deed of Variation to the Schedule to the Fee-Free TAFE Skills Agreement covering Fee-Free Construction.
- The department is working with Western Australia on the proposed delivery arrangements of Fee-Free Construction, prior to their formal consideration of the updated Schedule for Fee-Free Construction.

### **How many Fee-Free Construction places have been announced?**

- As at October 2024, 410 Fee-Free Construction places in Tasmania and 4,100 places in Queensland have been announced, with further construction places to be announced in the remaining jurisdictions.

### **Why is legislation needed? Fee-Free TAFE already operates under existing Commonwealth-state funding arrangements.**

- Legislation is considered more appropriate for an ongoing program, rather than as a time-limited schedule to the Federation Funding Agreement.
- It will lock-in Fee-Free TAFE as an enduring program and will give certainty to students, industry, TAFEs and the community.

### **How much will ongoing Fee-Free TAFE cost?**

- Details of any funding commitments by the Commonwealth will be announced as part of 2024-25 MYEFO.

### **How much will states and territories contribute?**

- Implementation arrangements will be settled through agreements with states and territories.
- Our collaboration with states and territories on Fee-Free TAFE and on the combined \$30 billion National Skills Agreement has been outstanding. We'll keep building those relationships.
- We've successfully negotiated major agreements with all states and territories for VET – the National Skills Agreement and the Fee-Free TAFE Skills Agreement.
- **If pressed:** The details will be negotiated with states and territories, including their funding contributions.



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**BACKGROUND**

- Fee-Free TAFE is a joint initiative with states and territories to prioritise VET courses in areas of highest skills need in the care sector (aged care, health care, disability care), early childhood education and care, construction, agriculture, hospitality and tourism, digital and technology, sovereign capability (including defence industries), and VET workforce from 2024.
- The Fee-Free TAFE initiative provides immediate opportunities and prioritises: First Nations Australians, young people (17-24), people out of work or receiving income support, unpaid carers, women facing economic insecurity, women undertaking study in non-traditional fields, people with disability, and certain categories of visa holders.

**Media**

- On Sunday 3 November 2024, the Prime Minister of Australia, the Hon Anthony Albanese MP and the Hon Andrew Giles MP jointly issued a media release announcing that the government will introduce legislation to establish Fee-Free TAFE as an enduring feature of the national vocational education and training system, funding 100,000 Fee-Free TAFE places a year from 2027 (**Attachment C**).
- On Sunday 20 October 2024, the Sunday Mail reported that only 13 per cent of students enrolled in Fee-Free TAFE courses have graduated (**Attachment D**).
  - From the start of Fee-Free TAFE in 2023 to 30 June 2024, there have been 71,363 completions in Fee-Free TAFE courses. Comparing this to enrolments does not provide an accurate picture due to the varying length of courses, part-time enrolments, and enrolments commencing progressively since 1 January 2023.
  - The time lag between commencements and completions is why the NCVET only reports on ‘observed actual’ completion rates only for students four years after commencement.
  - It would be premature to draw conclusions from completions rates earlier as students need time to complete.
- On 26 September 2024, the Hon Andrew Giles MP issued a media release announcing that there have been 508,889 enrolments in Fee-Free TAFE for the period 1 January 2023 to 30 June 2024 (**Attachment E**).
- On 27 July 2024, the Hon Brendan O’Connor issued a media release advising that half a million Australians had enrolled in courses of high skills demand since 1 January 2023 (**Attachment F**).
- On 8 May 2024, the Hon Brendan O’Connor issued a joint media release with the Hon Julie Collins MP announcing \$88.8 million for 20,000 additional Fee-Free TAFE training places to increase the pipeline of workers for construction and housing. Details are subject to negotiation with states and territories (**Attachment G**).

## Fee-Free TAFE Jurisdiction Snapshot from 1 January 2023 to 30 June 2024 (Tranche 2 Quarter 2)

### Australian Capital Territory

#### Talking Points

- The Australian Government will invest \$17.148 million in Fee-Free TAFE in the **Australian Capital Territory** from 2023 to 2026 this includes:
  - \$8.28 million in 2023 for Fee-Free TAFE Tranche 1 in 2023
  - \$7.36 million for Fee-Free TAFE Tranche 2 from 2024 – 2026
  - *\$1.508 million for the new Fee-Free Construction places. **Fee-Free Construction funding and places not yet announced.***
- Commonwealth payments for Fee-Free TAFE made to 30 June 2024 are \$11.22 million.
- From 1 January 2023 to 30 June 2024, the Australian Capital Territory has seen around 4,440 students **enrol** in Fee-Free TAFE Tranche courses.  
*[Note: ACT is enrolment data is under review for 2024, Quarter 3.]*
- In the Australian Capital Territory, the **most enrolled** in Fee-Free TAFE courses include:
  - Certificate IV in Cyber Security
  - Certificate III in Early Childhood Education and Care
  - Certificate III in Business
  - Certificate IV in Community Services
  - Certificate IV in Mental Health
- To help areas of **high skills need and demand** in the Australian Capital Territory, Fee-Free TAFE has supported:
  - 1,175 enrolments in the Care sector
  - 865 enrolments in the Technology and Digital sector
  - 494 enrolments in the Early Childhood Education and Care sector
  - 234 enrolments in the Hospitality and Tourism sector
- Examples of **student savings** in the Australian Capital Territory in 2024:
  - A student training in the Certificate IV in Cyber Security can save up to \$3,467.
  - A student training in the Certificate III in Early Childhood Education and Care can save up to \$2,519.
  - A student training in the Certificate III in Business can save up to \$1,375.
  - A student training in the Certificate IV in Community Services can save up to \$2,438.
  - A student training in the Certificate IV in Mental Health can save up to \$2,282.

*\* Student Savings have been sourced through online searches of TAFEs/CIT in the ACT.*
- From **2024 to 2026**, 3,940 places will be available in the Australian Capital Territory, including the additional 340 Fee-Free TAFE and VET places for courses relevant to the construction sector **[not yet announced]**.

## New South Wales

### Talking Points

- The Australian Government will invest \$311.024 million in Fee-Free TAFE in **New South Wales** in 2023 to 2026 this includes:
  - \$155.19 million in 2023 for Fee-Free TAFE Tranche 1
  - \$128.86 million for Fee-Free TAFE Tranche 2 from 2024 – 2026
  - \$26.974 million for the new Fee-Free Construction places. **Fee-Free Construction funding and places not yet announced.**
- Commonwealth payments for Fee-Free TAFE made to 30 June 2024 is \$206.74 million.
- From 1 January 2023 to 30 June 2024, New South Wales has seen 231,496 students **enrol** in Fee-Free TAFE courses.
- In New South Wales the **most enrolled** in Fee-Free TAFE courses include:
  - Certificate III in Individual Support
  - Certificate III in Early Childhood Education and Care
  - Certificate IV in Training and Assessment
  - Certificate III in School Based Education Support
  - Certificate III in Business
- To help areas of **high skills need and demand** in New South Wales, Fee-Free TAFE has supported:
  - 50,513 enrolments in the Care sector
  - 17,112 enrolments in the Technology and Digital sector
  - 13,103 enrolments in the Early Childhood Education and Care sector
  - 10,831 enrolments in the Construction sector
- Examples of **student savings** in New South Wales in 2024:
  - A student training in the Certificate III in Individual Support can save up to \$1,450
  - A student training in the Certificate III in Early Childhood Education and Care can save up to \$1,600
  - A student training in the Certificate IV in Training and Assessment can save up to \$1,580
  - A student training in the Certificate III in School Based Education Support can save up to \$1,600
  - A student training in the Certificate III in Business can save up to \$1,320.
    - \* *Student Savings have been sourced through online searches of TAFEs in NSW.*
- **From 2024 to 2026**, 153,700 places will be available in New South Wales, *including the additional 6,300 Fee-Free TAFE and VET places for courses relevant to the construction sector [not yet announced].*

## **Victoria**

### Talking Points

- The Australian Government will invest \$257.032 million in Fee-Free TAFE in **Victoria** in 2023-2026 including:
  - \$127.84 million for Fee-Free TAFE Tranche 1 in 2023
  - \$106.963 million for Fee-Free TAFE Tranche 2 from 2024 – 2026
  - *\$22.229 million for the new Fee-Free Construction places. **Fee-Free Construction funding and places not yet announced.***
- Commonwealth payments for Fee-Free TAFE made to 30 June 2024 is \$170.63 million.
- From 1 January 2023 to 30 June 2024, Victoria has seen 91,299 students **enrol** in Fee-Free TAFE courses.
- In Victoria the **most enrolled** in Fee-Free TAFE courses include:
  - Diploma of Nursing
  - Certificate IV in Training and Assessment
  - Certificate IV in Cyber Security
  - Certificate IV in Accounting and Bookkeeping
  - Literacy and Numeracy Support
- To help areas of **high skills need and demand** in Victoria, Fee-Free TAFE has supported:
  - 30,651 enrolments in the Care sector
  - 11,406 enrolments in the Construction sector
  - 8,317 enrolments in the Technology and Digital sector
  - 5,243 enrolments in the Agriculture sector
- Examples of student **savings** in Victoria in 2024:
  - A student training in the Diploma of Nursing can save up to \$17,150
  - A student training in the Certificate IV in Cyber Security can save up to \$4,307
  - A student training in the Diploma of Building and Construction (Building) can save up to \$4,171
  - A student training in the Certificate IV in Accounting and Bookkeeping can save up to \$3,747
  - A student training in the Diploma of Community Services can save up to \$10,022

*\* Student Savings have been sourced through online searches of TAFEs in VIC.*
- From **2024 to 2026**, 68,000 places will be available in Victoria, *including the additional 5,200 Fee-Free TAFE and VET places for courses relevant to the construction sector **[not yet announced].***

## Queensland

### Talking Points

- The Australian Government will invest \$203.871 million in Fee-Free TAFE in **Queensland** in 2023 to 2026 including:
  - \$101.16 million in Fee-Free TAFE Tranche 1 for 2023
  - \$84.97 million for Fee-Free TAFE Tranche 2 from 2024 – 2026
  - \$17.741 million for the new Fee-Free Construction places from 2025-2026. Fee-Free Construction funding and places announced on 16 October 2024.
- Commonwealth payments for Fee-Free TAFE made to 30 June 2024 is \$135.15 million.
- From 1 January 2023 to 30 June 2024, Queensland has seen 93,006 students **enrol** in Fee-Free TAFE courses.
- In Queensland the **most enrolled** in Fee-Free TAFE courses include:
  - Certificate IV in Accounting and Bookkeeping
  - Certificate III in Electrotechnology Electrician
  - Diploma in Nursing
  - Certificate III in Early Childhood Education and Care
  - Diploma of Project Management
- To help areas of **high skills need and demand** in Queensland, Fee-Free TAFE has supported:
  - 17,602 enrolments in the Care sector
  - 11,333 enrolments in the Technology and Digital sector
  - 7,532 enrolments in the Construction sector
  - 5,302 enrolments in the Manufacturing sector
  - 5,273 enrolments in the Early Childhood and Care sector.
- Examples of **student savings** in Queensland in 2024:
  - A student training in the Certificate IV in Accounting and Bookkeeping can save up to \$3,500
  - A student training in the Certificate III in Electrotechnology Electrician can save up to \$12,660
  - A student training in the Diploma of Nursing can save up to \$15,930
  - A student training in the Certificate III in Early Childhood Education and Care can save up to \$955
  - A student training in the Diploma of Project Management can save up to \$5,365.

*\* Student Savings have been sourced through online searches of TAFEs in QLD.*
- **From 2024 to 2026**, 47,500 places will be available in Queensland, including the additional 4,100 Fee-Free TAFE and VET places for courses relevant to the construction sector.

## Western Australia

### Talking Points

- The Australian Government will invest \$105.654 million in Fee-Free TAFE in **Western Australia** in 2023 to 2026 including:
  - \$51.77 million for Fee-Free TAFE Tranche 1 in 2023
  - \$44.505 million for Fee-Free TAFE Tranche 2 from 2024 – 2026
  - *\$9.379 million for the new Fee-Free Construction places. Fee-Free Construction funding and places not yet announced and Schedule has not been signed by Western Australia.*
- Commonwealth payments for Fee-Free TAFE made to 30 June 2024 is \$69.57 million.
- From 1 January 2023 to 30 June 2024, Western Australia has seen 63,489 students **enrol** in Fee-Free TAFE courses.
- In Western Australia the **most enrolled** in Fee-Free TAFE courses include:
  - Certificate III in Early Childhood Education and Care
  - Certificate III in Individual Support
  - Diploma of Nursing
  - Certificate IV in Work Health and Safety
  - Certificate IV in Information Technology
- To help areas of **high skills need and demand** in Western Australia, Fee-Free TAFE has supported:
  - 24,939 enrolments in the Care sector
  - 10,536 enrolments in the Early Childhood Education and Care sector
  - 7,125 enrolments in the Technology and Digital sector
  - 3,873 enrolments in the Hospitality and Tourism sector
- On average **student savings** in Western Australia in 2024 are \$2,702 per course for Certificate I qualifications and higher, and \$692 for a short course.
  - \* Student Savings are based on figures provided in quarterly reporting from Western Australia. These savings cannot be verified through online searches of TAFEs.*
- **From 2024 to 2026**, 24,340 places will be available in Western Australia, including the additional 2,140 Fee-Free TAFE and VET places for courses relevant to the construction sector *[not yet announced and Schedule has not been signed by Western Australia].*

## South Australia

### Talking Points

- The Australian Government will invest \$68.407 million in Fee-Free TAFE in **South Australia** in 2023 to 2026 including:
  - \$33.96 million in Fee-Free TAFE Tranche 1 in 2023
  - \$28.527 million for Fee-Free TAFE Tranche 2 from 2024 – 2026
  - *\$5.92 million for the new Fee-Free Construction places. **Fee-Free Construction funding and places not yet announced.***
- Commonwealth payments for Fee-Free TAFE made to 30 June 2024 is \$45.37 million.
- From 1 January 2023 to 30 June 2024, South Australia has seen 16,990 students **enrol** in Fee-Free TAFE courses.
- In South Australia, the **most enrolled** in Fee-Free TAFE courses include:
  - Certificate IV in Information Technology
  - Certificate III in Information Technology
  - Certificate III in Individual Support
  - Certificate IV in Training and Assessment
  - Certificate III in Early Childhood Education and Care
- To help areas of **high skills need and demand** in South Australia, Fee-Free TAFE has supported:
  - 3,672 enrolments in the Care sector
  - 3,648 enrolments in the Technology and Digital sector
  - 2,326 enrolments in the Construction sector
  - 1,283 enrolments in the Hospitality and Tourism sector
- Examples of **student savings** in South Australia in 2024:
  - A student training in the Certificate IV in Information Technology can save up to \$4,704
  - A student training in the Certificate III in Individual Support can save up to \$3,449
  - A student training in the Certificate II in Electrotechnology (Career Start) can save up to \$276
  - A student training in the Certificate III in Information Technology can save up to \$1,656
  - A student training in the Certificate III in Early Childhood Education and Care can save up to \$4,419

*\* Student Savings have been sourced through online searches of TAFEs in SA.*
- **From 2024 to 2026**, 16,340 places will be available in South Australia, *including the additional 1,340 Fee-Free TAFE and VET places for courses relevant to the construction sector **[not yet announced].***

## **Tasmania**

### Talking Points

- The Australian Government will invest \$21.144 million in Fee-Free TAFE in **Tasmania** in 2023 to 2026 including:
  - \$10.39 million for Fee-Free TAFE Tranche 1 in 2023
  - \$8.949 million for Fee-Free TAFE Tranche 2 from 2024 – 2026
  - \$1.805 million for the new Fee-Free Construction places. Fee-Free Construction funding and places announced on 1 October 2024.
- Commonwealth payments for Fee-Free TAFE made to 30 June 2024 is \$13.97 million.
- From 1 January 2023 to 30 June 2024, Tasmania has seen 6,209 students **enrol** in Fee-Free TAFE courses.
- In Tasmania the **most enrolled** in Fee-Free TAFE courses include:
  - Certificate III in Individual Support
  - Assist Clients with Medication Skill Set
  - Certificate III in Early Childhood Education and Care
  - Prepare to Work safely in the Construction Industry
  - Medical Terminology Skill Set
- To help areas of **high skills need and demand** in Tasmania, Fee-Free TAFE has supported:
  - 2,417 enrolments in the Care sector
  - 831 enrolments in the Agriculture sector
  - 555 enrolments in the Hospitality and Tourism sector
  - 486 enrolments in the Technology and Digital sector
- Examples of **student savings** in Tasmania in 2024:
  - A student training in the Certificate III in Individual Support can save up to \$2,420
  - A student training in the Assist Clients with Medication Skill Set can save up to \$415
  - A student training in the Certificate III in Early Childhood Education and Care can save up to \$2,680
  - A student training in the Prepare to Work Safely in the Construction Industry can save up to \$90
  - A student training in the Medical Terminology Skill Set can save up to \$350.

*\* Student Savings have been sourced through online searches of TAFEs in TAS.*
- **From 2024 to 2026**, 5,010 places will be available in Tasmania, including the additional 410 Fee-Free TAFE and VET places for courses relevant to the construction sector.
- The Fee-Free Construction places were announced on 1 October 2024.



## **Northern Territory**

### Talking Points

- The Australian Government will invest \$9.505 million in Fee-Free TAFE in the **Northern Territory** in 2023 to 2026 including:
  - \$4.74 million for Fee-Free TAFE Tranche 1 in 2023
  - \$3.966 million for Fee-Free TAFE Tranche 2 from 2024 – 2026
  - *\$0.799 million for the new Fee-Free Construction places. **Fee-Free Construction funding and places not yet announced.***
- Commonwealth payments for Fee-Free TAFE made to 30 June 2024 is \$6.33 million.
- From 1 January 2023 to 30 June 2024, the Northern Territory has seen 1,960 students **enrol** in Fee-Free TAFE courses.
- In the Northern Territory the **most enrolled** in Fee-Free TAFE courses include:
  - Certificate III in Early Childhood Education and Care
  - Certificate III in Civil Construction Plant Operations
  - Certificate III in Community Services
  - Certificate IV in Aboriginal and/or Torres Strait Islander Primary Health Care Practice
  - Diploma of Leadership and Management
- To help areas of **high skills need and demand** in the Northern Territory, Fee-Free TAFE has supported:
  - 383 enrolments in the Care sector
  - 219 enrolments in the Agriculture sector
  - 210 enrolments in the Construction sector
  - 156 enrolments in the Early Childhood Education and Care sector
  - 144 enrolments in the Hospitality and Tourism sector.
- Examples of **student savings** in the Northern Territory in 2024:
  - A student training in the Certificate III in Early Childhood Education and Care can save up to \$11,880
  - A student training in the Certificate III in School Based Education Support can save up to \$6,950
  - A student training in the Certificate III in Conservation and Ecosystem Management can save up to \$12,900
  - A student training in the Certificate IV in Visual Arts can save up to \$10,312.50
  - A student training in the Food Safety Supervision Skill Set can save up to \$280.

*\* Student Savings have been sourced through online searches of TAFEs in the NT.*
- **From 2024 to 2026**, 2,370 places will be available in the Northern Territory, *including the additional 170 Fee-Free TAFE and VET places for courses relevant to the construction sector.*  
**[Not yet announced]**

**TAFE Technology Fund Projects Tranche 1 (Election Commitments – announced pre-May 2022)**

State	Amount \$million	Recipient	Description	Paid to Oct 2024 \$million
NSW	\$2.5	TAFE NSW, Wollongong Campus	Create a Renewable Energy Training facility.	\$1.75
NSW	\$2.5	TAFE NSW, Wetherill Park campus	Create an Electric Vehicles training centre Wetherill Park	\$1.75
NSW	\$2.5	TAFE NSW, Gunnedah campus	Improve Early Childhood Education at Gunnedah.	\$1.75
QLD	\$2.5	TAFE Queensland, Pimlico campus	Funding for a Creative Arts Precinct at Pimlico TAFE campus in Townsville.	\$1.75
QLD	\$2.3	TAFE Queensland, Loganlea campus	Fund the expansion of clinical laboratory spaces at the Loganlea campus of TAFE Queensland.	\$1.61
QLD	\$1.0	TAFE Queensland, Thursday Island campus	Funding to provide a centre to undertake training in a space that will replicate an operational environment.	\$0.7
TAS	\$1.5	Sorell trade training centre	Expanding the local trade training centre in Sorell.	\$1.05
TAS	\$1.0	TasTAFE, Devonport campus	Funding is to update the spray booth equipment to reflect the modern-day work environment.	\$0.7
VIC	\$2.0	Holmesglen TAFE, Chadstone campus	Cyber Security Operations Centre (CSOC).	\$1.4
VIC	\$1.3	Box Hill TAFE, Lilydale campus	Upgrade of Lilydale Land Sciences and Outdoor Recreation Facilities.	\$0.91
VIC	\$0.9	Melbourne Polytechnic, Epping campus	Expansion of Epping Carpentry Facilities for Melbourne Polytechnic.	\$0.63
WA	\$3.24	North Metropolitan TAFE, Midland campus	Funding for a training centre capable of teaching workers in the installation, maintenance and repair of wind turbines, and rail training facility.	\$2.268
WA	\$3.0	Ellenbrook Secondary College	The trade training facility, which will emphasise teaching school students and adults trades in the hospitality and construction industries.	\$2.1
WA	\$2.0	South Metropolitan TAFE, Bentley campus	Funding is to deliver a state-of-the-art commercial kitchen.	\$1.4
			<b>Total</b>	<b>\$19.768</b>

**TAFE Technology Fund Projects Tranche 2 (Announced from April 2024)**

State	Amount \$million	Recipient (announcement date)	Description	Paid to Oct 2024 \$million
ACT	\$3.2	Canberra Institute of Technology Fyshwick campus (6 May 2024)	Retrofitting of an existing automotive workshop at the CIT Fyshwick Campus for electronic vehicles. Procurement of the practical learning training materials and equipment as part of the development of a fit-for-purpose classroom.	\$2.24
NSW	\$3.2	TAFE NSW St Leonards campus (4 April 2024)	Design, procurement and installation of an LED Volume (LED Wall) into an existing TV studio and for portable use. This provides 8m X 5m LED wall plus 2.5m X 5m extension and floor and portability.	
NT	\$2.5	Charles Darwin University Katherine campus (9 July 2024)	Establish a Technical Trades Training Centre in Katherine. The centre will provide training in current and emerging skills priorities in the region, including construction, plumbing and refrigeration, electrotechnology and renewables.	
QLD	\$3.0	TAFE Queensland Acacia Ridge (Brisbane) and Bohle (Townsville) campuses (13 June 2024)	Procure and install Battery Electric Vehicle (BEV) training simulators to allow TAFE Queensland to offer blended learning models, which notably include a teacher-led BEV training of fault finding in a vehicle with a battery.	
SA	\$2.18	TAFE SA Four mobile units operating across multiple regional locations (3 May 2024)	Lease four light commercial vehicles and purpose-built trailers and fit these out to deliver training in various fields to groups of students in regional locations. The project is targeting the industries dentistry, cybersecurity, hospitality and automotive.	
SA	\$2.072	TAFE SA, located Whyalla campus, Tonsley campus and a mobile unit (Not yet announced)	The Green Energy Technology Training Academy will establish hydrogen and green energy technology training hubs at TAFE SA Whyalla and Tonsley campuses, and a transportable training facility to take training to sites across South Australia.	
VIC	\$1.95	Chisholm Institute Dandenong campus (20 May 2024)	Replace and upgrade existing equipment with computerised numerical control (CNC) and coordinated measuring machine (CMM) technology, to ensure that the equipment is up-to-date and that the delivered courses can provide students with industry 4.0 readiness.	\$1.365
VIC	\$0.96	Gippsland TAFE, – Bairnsdale, Warragul, Leongatha, Port of Sale and Yallourn campuses (29 April 2024)	Installing specialist equipment to support delivery of EV automotive training. Provide electric and hybrid vehicles for training in a regional area.	\$0.672
VIC	\$1.5	Victoria University Sunshine campus (16 April 2024)	Procure and install specialist equipment to support delivery of advanced manufacturing training. Purchase cutting-edge machines.	\$1.05
WA	\$1.1	North Regional TAFE Pundulmurra campus – South Headland (8 July 2024)	Procure and install new specialist equipment at Pundulmurra campus' existing Health Simulation Ward and establish a state-of-the-art Renal Simulation Ward.	
		<b>Total</b>		<b>\$5.327</b>

## Attachment B

**Distribution of Projects by Tranche and Jurisdiction**

<b>Jurisdiction</b>	<b>Tranche 1 Projects</b>	<b>Tranche 2 Projects</b>	<b>Total Projects</b>
Australian Capital Territory	–	1	1
New South Wales	3	1	4
Northern Territory	–	1	1
Queensland	3	1	4
South Australia	–	2	2
Tasmania	2	-	2
Victoria	3	3	6
Western Australia	3	1	4
<b>Total</b>	<b>14</b>	<b>10</b>	<b>24</b>

**Question Time Brief – Skills and Training**

QB24-000005

Last Updated by Department: 04 November 2024

**VET Student Loans IT Issues****HEADLINE**

- The Australian Government implemented a suite of mitigations to address the impacts for students of VET student loans (both VET Student Loans and VET FEE-HELP) that were delayed in transferring to students' Australian Taxation Office (ATO) accounts.

**TALKING POINTS**

- The government is determined to put the wellbeing of students first.
- This is why we have waived all historical indexation related to loans that were delayed in being transferred to the ATO and waived the oldest loan debts (from before 2017) in their entirety, due to the issues preventing these students from accessing assistance.
- Only a very small number of students with a VET loan have been affected by this issue.
- The government has resolved this issue for all but about 200 of the 17,856 students who were affected by this delayed transfer of VET loans.
  - The last of the affected loans were transferred to students' ATO accounts, where appropriate indexation waivers will be applied to less than 150 students.
  - 48 students still require total loan reversal/waivers for loans in the department's system that will not be transferred to the ATO.
- The department has:
  - corresponded directly with all affected students via email, letter and SMS, as their loans have transferred to the ATO.
  - published regular updates to its website, including information about the financial remedies, advice for students about how to check their loan, and a direct enquiry channel to the department.
  - worked with a range of stakeholders, including the Ombudsman and the ATO, to ensure a student-centred approach was delivered.
  - issued a statement of apology to the students affected by the issue after individually contacting all negatively impacted students.

**Question Time Brief – Skills and Training**

QB24-000005

Last Updated by Department: 04 November 2024

- An independent review found the main cause of the delayed loan transfer was the existing VET Student Loans IT system which was developed as an interim solution for two years but continues to be used.
- The government committed \$42.2 million to deliver a modernised, fit-for-purpose VET Student Loans IT System to respond to the review's recommendations. It will address the risks and limitations of the current, outdated IT system. A modern system will ensure students have visibility of their loan debts, and providers receive correct and timely payments.

**KEY FACTS & STATS**

- A number of historical VET Student Loans (VSL) and VET FEE-HELP (VFH) loans were delayed in transferring to students' ATO accounts.
- 17,856 students were affected by the delayed transfer of the VET loan records.
- This represents a very small number (less than 3 per cent) of around 613,000 students (as at 30 September 2024) who have incurred a VSL and/or VFH loan.

**IF ASKED****Could this issue happen again?**

- An independent review found the main cause of the delayed loan transfer was the existing VET Student Loans IT system which was developed as an interim solution for two years but continues to be used.
- The government has committed \$42.2 million to deliver a modernised, fit-for-purpose VET Student Loans IT System which will address the risks and limitations of the current, outdated IT system.
- A modern VET Student Loans IT system will ensure students have visibility of their loan debts, and providers receive correct and timely payments.

**Is it fair that students are required to repay these loans now, at a time of heightened economic pressure?**

- These are income contingent loans.
- Students are required to agree to their loan debts when they enrol. The debts are outlined in in the FEE Notice and Commonwealth Assistance Notice provided to the student.

**Question Time Brief – Skills and Training**

QB24-000005

Last Updated by Department: 04 November 2024

- Every effort has been made to individually contact every impacted student to provide information on any relief applied to their debt and steps they can take if they have concerns.
- To mitigate any financial impact for students, the government has waived indexation for the period the loan was delayed in the department's IT system and waived the oldest of loan debts (from before 2017) in their entirety.
- Repayments are made when a person earns above the compulsory repayment threshold, which is \$51,550 for the 2023-24 financial year and \$54,435 for 2024–25.
- The government is changing the minimum repayment threshold to \$67,000 in 2025-26 to ease pressure on students (subject to the passage of legislation).
- It is also changing how the repayment is calculated. Similar to how income tax is calculated, only the portion of the person's income above \$67,000 will be used to calculate the compulsory repayment amount, rather than their total income.
- The government is also wiping 20 per cent from the balance of a student's HELP debt so they will have less to pay off. The ATO will automatically apply the one-off 20 per cent reduction to a student's ATO account balance by 1 June 2025 (subject to the passage of legislation).
- In the meantime, if a student believes that making their compulsory repayment would cause them serious hardship, they can apply to the ATO to defer or amend their compulsory repayments or enter into a payment plan for their income tax debts.

**Are these debts putting further pressure on students with costs of living pressures?**

- A person's assessment for compulsory repayments of their VET Student Loans or VET FEE-HELP loan is based on their taxable income for the relevant financial year and the debt reported on their ATO loan account at the time of lodging their tax return.
- Repayments are made when a person earns above the compulsory repayment threshold.
- For the 2023-24 financial year, a person needs to have earned \$51,550 before they start repaying their loan. For the 2024-25 financial year, this is \$54,435.

**Question Time Brief – Skills and Training**

QB24-000005

Last Updated by Department: 04 November 2024

- To ease pressure on Australians, the government is changing the minimum repayment threshold in 2025-26 to \$67,000 and the way it is calculated (subject to the passage of legislation). This will mean that individuals earning below \$67,000 will not be required to make an annual compulsory repayment. Individuals earning above this will have their repayments calculated against the portion of their income over \$67,000 rather than their total income.
- The government is also wiping 20 per cent from the balance of a student's HELP debt so they will have less to pay off. The ATO will automatically apply the one-off 20 per cent reduction to a student's ATO account balance by 1 June 2025 (subject to the passage of legislation).
- If a person is experiencing financial difficulty, they can apply to the ATO to defer or amend their compulsory repayments, or they may be able to set up a payment plan to pay down their tax debt.



**Question Time Brief – Skills and Training**

QB24-000005

Last Updated by Department: 04 November 2024

**BACKGROUND**

- In August 2022, the department identified that a small number of historical VET FEE-HELP (VFH) and VET Student Loans (VSL) had been delayed from transferring from the department's IT systems to students ATO accounts.
- The department notified all students and training providers affected by this issue and investigated avenues to address any unintended outcomes for students as a matter of priority.
- The department took immediate steps to implement a manual reconciliation process between the IT systems to ensure records pending in the systems are identified immediately.
- In addition, the department commissioned an independent review of the issue, which found the main cause of the delayed loan transfer was the existing, outdated VSL IT system.
- In late-2022 and under Budget 2023-24, the government agreed to a suite of mitigation measures for students, including:
  - Waiving of historical indexation for the period loans were delayed from transferring to students' ATO account.
  - Waiving affected VFH debts for study prior to 2017. This recognises the age and extended delay in identifying these records in the department's IT system, and potential difficulty for these students to meet evidentiary requirements to access assistance.
  - Extending VFH Student Redress measures by 12 months to 31 December 2023 to assist students who may have been impacted by inappropriate conduct by their provider. These measures provide a remedy to students who, due to the inappropriate conduct of the VET provider, incurred debts under the VFH Scheme.
- The department has worked with a range of stakeholders, including the Ombudsman and the ATO during its response to this matter, to ensure a student-centred approach was delivered.
- The department issued an apology statement in July 2024 after individually contacting all negatively impacted students.
- The government has invested \$42.2 million over 4 years (2023–24 to 2026–27) to build the first phase of a new VSL IT system (under Budget 2023–24). The fit-for-purpose VSL IT System will address the risks and limitations of the current, outdated IT system. It will ensure students have visibility of their loan debts, and providers receive correct and timely payments.

## Question Time Brief – Skills and Training

QB24-000005

Last Updated by Department: 04 November 2024

### Relevant media

- On 26 March 2024 the Commonwealth Ombudsman released a report *“How to tell people they owe the government money”* which included a case study on the VET loans issue and expressed disappointment that the department had not apologised to students.
- On 26 March 2024 The Guardian published the article *“Traumatising experience’: ATO under fire for denying debt relief to at-risk taxpayer in robotax fallout”* which detailed ATO debt relief cases and noted that the department failed to apologise for the transfer of historical student debts.
- On 12 August 2024, the TAFE Directors Australia (TDA) newsletter included an article *“DEWR says 'sorry' for IT failure that impacted thousands of VET students”* which noted the department has issued an apology to students impacted by the issue.

Pages 27 - 38 removed under section 22(1)(a)(ii) of the FOI Act.

**Question Time Brief – Skills and Training**

QB24-000006

Last Updated by Department: 04 November 2024

**ASQA and Compliance****HEADLINE**

- The Australian Government is committed to strengthening the integrity and quality of the VET sector.

**TALKING POINTS**

- The recent release of the revised Standards for registered training organisations (RTOs) represents a step change in all governments' shared ambition to lift quality and integrity across the entire sector, through enabling a more flexible, robust and quality driven approach.
- The current standards have been in place for almost a decade. The revised Standards shift the focus beyond that of baseline administrative requirements toward 23 outcome-focussed Standards across four key quality areas – training and assessment, learner support, workforce, and governance (Key Messages available at [Attachment A](#)).
- **Recent amendments to the *National Vocation Education and Training Regulator Act 2011*** ensure the National VET Regulator, the Australian Skills Quality Authority (ASQA), has the necessary regulatory tools to take swift action to address integrity risks posed by non-genuine or unscrupulous registered training organisations (RTOs) and lift quality across the VET sector.
- These amendments build on the government's **\$37.8 million investment**<sup>1</sup> supporting the establishment of an integrity unit within ASQA, upgrade of ASQA's digital and data systems and a tip-off line to report egregious registered training organisation (RTO) conduct. This work is well underway.

**KEY FACTS & STATS**

- On **01 October 2024**, the Government released the revised Standards for RTOs. Early release will help support the sector to prepare and transition for when they come into full regulatory effect on **1 July 2025**.
  - This follows early changes to the standards that commenced in **March 2024**, which addressed urgent pressures impacting the VET workforce and provided more immediate benefits to the sector.

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<sup>1</sup> ASQA's total investment as part of the Migration Systems Integrity measure was \$36.746m (2023-24 to 2027-28) which included \$3.5m for the Integrity Unit for 2027-28 and \$21.063m up to 2026-27 to uplift digital and data systems.

**Question Time Brief – Skills and Training**

QB24-000006

Last Updated by Department: 04 November 2024

- On **3 October 2023**, the Government announced measures to improve the integrity of Australia’s VET sector. This included **\$37.8 million** to support the capability and capacity of national VET regulator ASQA, to strengthen its regulatory activities.
- On **29 March 2024**, amendments to the *National Vocational Education and Training Regulator Act 2011* came into force.
- Since ASQA’s VET tip-off line was launched in October 2023 to 30 September 2024, ASQA has received more than **2,800 tip-offs**, with approximately 66 per cent providing actionable intelligence.
- From 1 July 2023 to 30 June 2024, ASQA made 103 regulatory decisions to either cancel or reject applications for renewal of registration (83) or suspend registration (20).
  - The cancellation or rejection of renewal decisions were taken with respect to 52 providers, and the suspension of registration decisions were taken with respect to 16 providers.
- From 1 July 2024 to 30 September 2024, ASQA made 30 regulatory decisions to either cancel or reject applications for renewal of registration (25) or suspend registration (5).
  - These decisions were taken with respect to 20 providers (both VET and CRICOS providers).
- In relation to the recent amendments to the *National Vocational Education and Training Regulator Act 2011* and the implementation of lapsing provisions, as at 30 September 2024, the registration of **144 providers is currently lapsed**.

**IF ASKED****What is the government’s response to the reports of unscrupulous behaviour in the VET sector (i.e. “Shifty VET providers” and the Nixon Review)?**

- The government is taking action to lift quality and integrity in our VET system.
- We are working to identify and remove the minority of RTOs in the sector who are not genuine providers, and who engage in unscrupulous conduct to prey on vulnerable students.

**Question Time Brief – Skills and Training**

QB24-000006

Last Updated by Department: 04 November 2024

- We have provided the Regulator (the Australian Skills Quality Authority, or ASQA) with the necessary powers to tackle non-genuine or unscrupulous RTOs operating, or seeking to operate, in the VET sector.
- On 29 March 2024, amendments to the *National Vocational Education and Training Regulator Act 2011* came into force. The changes empower ASQA to take swift action to deter and remove non-genuine or unscrupulous RTOs and apply greater scrutiny to new RTOs.
- The strengthened requirements and scrutiny on RTOs in the amendments are crucial to protect students and ensure quality outcomes for employers.
- This builds on work underway, including our significant investment of \$37.8m to establish an Integrity Unit in ASQA; upgrade ASQA's digital and data systems and create a tip-off line to address threats to integrity.
- We have also strengthened the Fit and Proper Person Requirements to better scrutinise those in management positions in RTOs. These reforms tighten the regulatory requirements on prospective and established RTOs to ensure they are committed to quality VET outcomes.
- I will continue to engage closely with my colleague the Hon Jason Clare, Minister for Education, and with my state and territory colleagues to strengthen integrity across the VET sector.

**What compliance action is ASQA taking following recent government investment and new legislative powers to improve integrity in VET?**

- Since the VET tip-off line was launched in October 2023, ASQA has received more than 2,800 tip-offs, with more than 66 per cent providing actionable intelligence.
- More than half of all tip-offs relate directly to RTOs providing training to international students.
- From 1 July 2023 to 30 June 2024, ASQA imposed **83 sanctions on RTOs to cancel or not renew registration**. This includes cancelling or not renewing the registration of 33 providers delivering training to overseas students.
- Between 1 July 2024 and 30 September 2024, **ASQA imposed 30 sanctions on RTOs** to cancel, reject applications for renewal of registration, or suspend registration.
- In the month of September 2024 ASQA issued 3 infringement notices to non-RTOs for marketing breaches, under s123B of the *National Vocational Education and Training Regulator Act 2011* (NVETR Act) – advertising or

**Question Time Brief – Skills and Training**

QB24-000006

Last Updated by Department: 04 November 2024

offering VET course without identifying issuer of VET qualification or statement of attainment. This conduct has occurred since the increased penalty amounts come into effect resulting in the infringement amounts being \$18,780 for each non-RTO.

- In relation to the recent amendments to the NVETR Act and the implementation of lapsing provisions, as at 30 September 2024, the registration of **144 providers is currently lapsed**.
- This targets the integrity risk posed by dormant Registered Training Organisations (RTOs).
- ASQA has made the decision to extend the measurement period for 152 providers.

**IF ASKED about ASQA’s regulatory action with respect to Luvium Pty Ltd**

- The Australian Skills Quality Authority (ASQA) has cancelled the registration of a Registered Training Organisation (RTO) Luvium Pty Ltd (trading as Australia Education & Career College).
- ASQA and multiple departments across government are working through the potential impact on former students and their qualifications, and on any workplaces affected.
- The government is committed to lifting quality and integrity across the VET sector.
- The integrity of our qualifications is a primary focus, and there is no place for any provider who seeks to undermine the sector or exploits students.
- The cancellation stems from a compliance blitz on unethical and potentially illegal activity and was made with effect from 19 October 2024. The notice of the cancellation decision has been published on the National Register of VET.

**Question Time Brief – Skills and Training**

QB24-000006

Last Updated by Department: 04 November 2024

**BACKGROUND**

- Under the *National Vocational Education and Training Regulator Act 2011* (NVETR Act) the VET Quality Framework consists of the:
  - Standards for RTOs – the Standards describe the requirements that RTOs must meet in order to be registered and ensure that training delivery meets industry requirements, and that RTOs operate ethically, considering the needs of both students and industry.
  - Australian Qualifications Framework (AQF) - is the national policy for regulated qualifications in Australian education and training. It incorporates the qualifications from each education and training sector into a single national qualifications framework.
  - Fit and Proper Person Requirements – outline the criteria for assessing the application of those who apply for registration as an RTO.
  - Financial Viability Risk Assessment Requirements - set out details of the financial viability risk assessment of RTOs.
  - Data Provision Requirements - set out the requirements for RTOs in relation to the submission of data to ASQA, upon request, and to submit quality indicator data annually.
  - Quality Standards – a mechanism within the NVETR Act to provide powers to the Commonwealth Skills Minister to enable government to quickly address emerging issues and manage risk to students, employers and the sector should the need arise. To date, no Quality Standards have been made.

**Key data used****ASQA Compliance Enforcement Action**

Compliance enforcement action	2023-24 Total	2023-24 CRICOS	2024-25 to end Sept Total	2024-25 to end Sept CRICOS
• written directions	345	79	2	
• conditions on registration	22	14	9	3
• sanctions to suspend registration	20	11	5	5
• sanctions to amend scope of registration	2	2		
• sanctions to cancel registration in full or not renew registration	83	52	25	9
• infringement notices	201	30		
• criminal prosecutions	2			
<b>Total number of sanction decisions</b>	<b>675</b>	<b>188</b>	<b>41</b>	<b>17</b>

*Notes on Table:*

- a. 'ASQA Compliance Enforcement Action' total volume of sanction decisions issued by ASQA, and of those, how many were made in respect of CRICOS registration.
- b. Decisions may be subject to internal and/or AAT Review which may result in a different outcome.



## Question Time Brief – Skills and Training

QB24-000006

Last Updated by Department: 04 November 2024

- c. *Figures may include multiple decisions for the same provider. (For example, where ASQA suspended the registration of a provider, followed by decisions to both cancel and reject the renewal of registration of the provider. In these circumstances, ASQA made 3 decisions in respect of one provider).*

### Media

*Revised Standards supporting high-quality training for VET Students, 1 October 2024*

Link: [Revised standards support high-quality training for VET students | Ministers' Media Centre \(dewr.gov.au\)](#)

- Media release on the revised Standards for RTOs.

*Numerous media outlets reported on the following media release, 21 August 2024:*

Link: [Over 150 ghost colleges axed | Ministers' Media Centre \(dewr.gov.au\)](#)

*Sex slavery, fraud trigger crackdown on colleges, The Australian, 7 August 2024*

Link: [Sex slavery, fraud trigger crackdown on colleges](#)

- Outlines concerns regarding exploitation of international students as raised in the *Nixon Review* and the regulatory response to these concerns by ASQA.

*Legislation to crackdown on dodgy VET providers passes Parliament, 21 March 2024*

- Link: [Legislation to crackdown on dodgy VET providers passes Parliament | Ministers' Media Centre \(dewr.gov.au\)](#)
- On 29 March 2024, amendments to the *National Vocational Education and Training Regulator Act 2011* were enacted through the *National Vocational Education and Training Regulator Amendment (Strengthening Quality and Integrity in Vocational Education and Training No. 1) Amendment Act 2024*.
- The amendments responded to integrity and quality issues highlighted in the *Nixon Review* and the Joint Standing Committee on Foreign Affairs, Defence and Trade's report: *Quality and Integrity – the Quest for Sustainable Growth: Interim Report into International Education*.

## Key Messages – Revised Standards for RTOs

- All Australian Governments are committed to supporting high-quality training in the Vocational Education and Training (VET) system. While the quality of training is affected by many variables, all registered training organisations (RTOs) have a critical role in ensuring training delivery on the ground is high-quality and meets the diverse range of learner and employer needs.
- High quality VET is vital to Australia's future, producing the knowledge and skills to position Australia as an economically prosperous, socially equitable and environmentally sustainable nation.
- The revised Standards represent a step change in all Governments' shared ambition to lift quality and integrity across the entire sector, through enabling a more flexible, robust, and quality-driven approach to regulation.
- The Standards have been revised to strengthen the focus on quality outcomes for learners and employers, provide greater clarity for RTOs and regulators, and allow for more flexibility and innovation in training delivery across the sector.
- Changes to the Standards better reflect the diversity of the VET sector and ensure the Standards are fit-for-purpose across different RTO settings. This will help to embed quality aspirations and ensure the Standards clearly articulate characteristics required of RTOs to foster a shared understanding of what constitutes high-quality delivery for all users of the VET system.
- The revised Standards provide a clearer and more direct link between the requirements RTOs are expected to meet and the outcomes they are expected to deliver.
- Ongoing engagement with the sector throughout this transition will be key to ensuring all RTOs are supported to understand these changes and are well placed to ensure their systems and practices align with the revised Standards.
- While the revised Standards for RTOs articulate the outcomes to which all providers will be expected to deliver, they have also been designed to support a more nuanced approach to regulation which recognises the diversity of high-quality providers and which will support TAFEs to further develop their role at the heart of the VET sector.

- This commitment, backed-in by a significant increase in funding for TAFEs as part of the National Skills Agreement, will see TAFEs embedded as an esteemed community asset which would look to drive innovation and deliver the high-quality, accessible courses the economy needs, with wrap-around supports where they are needed.

**Question Time Brief – Skills and Training**

QB24-000007

Last Updated by Department: 04 November 2024

**Apprenticeships - Overview****HEADLINE**

- Apprenticeships are critical to delivering a skilled workforce that will drive inclusive and sustainable growth to meet the Australian Government's key priorities, including transitioning to net zero, building more houses, and a future made in Australia.

**TALKING POINTS**

- At the present level of apprenticeship commencements and completions, Australia will not have enough skilled workers to meet future demand. That is why the government has:
  - completed a review of the Australian Apprenticeship Incentives System, to provide advice on how to maximise apprentice attraction, retention and completions
  - committed an additional \$265.1 million to rebalance support to apprentices and employers working in priority occupations
  - rolled out a new Australian Apprenticeship Support Services model delivering strengthened support for apprentices who are at the highest risk of non-completion
  - invested \$1.8 million over four years to provide support for small and medium businesses taking on clean energy, construction and manufacturing apprentices through access to Group Training Organisations
  - invested \$26.4 million over two years for the pre-Apprenticeships – Trade Experience Program, working with states and territories to deliver approximately 5,000 places in pre-apprenticeship programs.

**Policy Response – Strategic Review of the Australian Apprenticeships Incentive System (Department)**

- In September 2024, Dr Iain Ross AO and Ms Lisa Paul AO PSM delivered the final report of the Strategic Review of the Australian Apprenticeships Incentive System to Government.

- The Review looked at the Incentive System’s performance, cost of living impacts on apprentices, how the system can support high quality apprenticeships and traineeships, how to create a safe training environment for priority apprentice cohorts and how the Incentive System can align with broader economic objectives.
- The Review has drawn on an extensive evidence base including past reviews, research and input from over 145 public submissions as well as consultations with more than 600 people from across the apprenticeship system.
- The government is currently considering the Review’s findings.

### **Policy Response: 2024-25 Apprenticeship Budget measures (Department)**

#### **Phase 2 settings of the Australian Apprenticeship Incentive System**

- The government is committing an additional \$265.1 million to rebalance support to apprentices and employers working in priority occupations.
- Changes to the Incentive System were scheduled by the previous government from 1 July 2024. Had these changes gone ahead, they would have reduced support for employers to well below pre-pandemic levels and resulted in apprentices getting less financial support.
- Under the revised system:
  - Apprentices training in priority occupations are eligible for \$5,000 to assist with cost-of-living and incentivise them to finish their training
  - Payments are front-loaded to provide support when it is needed most
  - Employers taking on apprentices in priority occupations are eligible for \$5,000 to help subsidise the cost of employing an apprentice.

#### **New Energy Apprenticeships Program eligibility changes**

- As part of the government’s Powering Australia Plan, the government is supporting **10,000 New Energy Apprenticeships**. Apprentices training in New Energy industries may receive payments of **up to \$10,000** over the duration of the apprenticeship.
- The eligibility settings for Phase 2 of the program commenced on 1 June. Eligibility expanded to include a broadened definition for clean energy.

- Industry told us that employers require a broadening of the eligibility to attract even more people into this field and assist with ongoing workforce planning.

### Policy Response - Changes to Student Loans

- The government has announced changes to student loans including Australian Apprenticeship Support Loans to make the repayment system fairer for all Australians with a student debt.
- Under the changes:
  - From 1 July 2025, students and workers with an outstanding student loan debt will only be required to make compulsory repayments once they start earning an annual salary of \$67,000. This is an increase from the current repayment threshold of \$54,435 in 2024-25. For someone on an income of \$70,000 this will mean they will pay around \$1,300 less per year in repayments.
  - Anyone with a student loan debt, including an Australian Apprenticeships Support Loan will have their debt reduced by 20 per cent before indexation is applied on 1 June 2025.
- These new reforms are subject to the passage of legislation.

### KEY FACTS & STATS

- I am pleased to see continuing strong in-training numbers for apprenticeships. This reflects the importance of apprenticeship pathways to provide the workforce skills we need now and into the future.
- As at 31 March 2024 the National Centre for Vocational Education Research reports there were 351,695 apprentices in training, with the majority (67.9 per cent or 238,765) in trade occupations. The apprenticeship numbers were only slightly lower than the peak of the Boosting Apprenticeship Commencements (BAC) COVID measures and are well above the same time in 2019.
- The NCVER report shows that a total of 59,615 people began an apprenticeship in the three months to March 2024.
  - This is an 8.3 per cent increase compared with the three months to March 2019 (55,050), immediately prior to the pandemic.

**Question Time Brief – Skills and Training**

QB24-000007

Last Updated by Department: 04 November 2024

- The increase is particularly strong for trades with 34,750 commencements, up 19.8 per cent in the March 2024 quarter compared to March 2019 (28,995).
- Further, the NCVER reports increases in areas critical to building our future, such as the increase of 23.7 per cent (11,045) to the number of Construction Trades Workers in-training, when compared to the same time in 2019 (pre-pandemic). Paired with the increase of 8.1 per cent (1,725) to the number of Construction Trades Worker commencements in the 12 months to March 2024 (compared to March 2019), we can expect to see the number of tradespeople in the construction industry continue to grow.
- However, across all apprenticeship types the proportion of apprentices completing their apprenticeship has been in steady decline since 2013 to the current rate of 54.8 per cent.

**IF ASKED****What is the government doing to address the decline in the completion rate reported in the latest National Centre for Vocational Education Research (NCVER) data?**

- I welcome the recent report from the NCVER on the initial completion rates for the cohort of apprentices who commenced their training in 2019.
- While NCVER is reporting an overall decline in the completion rate for the 2019 commencing cohort (down 1.0 per cent), it is important to remember that COVID-19 created uncertain times for individuals, business and governments. The pandemic led to the suspension of normal economic activity, including the training of apprentices and trainees and the operation of some workplaces, which means for some apprentices in this key cohort, the journey to complete their apprenticeship may have been disrupted.
- Importantly the report shows that completion rates for trade occupations are beginning to increase ever so slightly (54.1 per cent, up 0.7 per cent). Because of the disruption of COVID, and its impact on training delivery both on and off the job we can see that training is taking longer to complete.
- My department's data indicates that as at 30 September 2024, 3.7 per cent of trade apprentices in the 2019 commencing cohort are still in training. This means we expect the completion rate for this cohort to continue to increase over time as those still in training complete their apprenticeships.

- For example, this cohort includes occupations critical to our *Future Made in Australia*, such as electricians, plumbers, carpenters and bricklayers who are all expected to see an increase in completions for the 2019 commencing cohort, noting that approximately 7.4 per cent of this cohort are still in training.
- The government has also completed the Strategic Review of the Australian Apprenticeship Incentive System. The final report provides options to the Government on how to help more people start and complete apprenticeships and traineeships.
- The government is currently considering the Review's findings.

### **Are you on track to achieve 10,000 New Energy Apprenticeships?**

- As at 30 September, there have been **3,634** apprentices approved in the New Energy Apprenticeships Program.
- Eligibility settings for Phase 2 of the program were adjusted in response to industry feedback. Changes commenced 1 June 2024 and ensure we are supporting apprentices build the skills required for a clean energy future.

### **Was the department monitoring the uptake of the BAC subsidy by large employers like McDonalds?**

- The Boosting Apprenticeship Commencements (BAC) and Completing Apprenticeship Commencements (CAC) wage subsidies were high-cost emergency response measures designed to support the apprenticeship system during the COVID-19 pandemic.
- The measures were deliberately broad-based, aimed at encouraging employers of any size to take on apprentices and trainees in any occupation between 5 October 2020 and 30 June 2022.
- Between October 2020 and 30 September 2024, over \$7.64 billion in BAC and CAC wage subsidies have been paid out to employers of eligible Australian Apprentices, supporting around 412,000 apprenticeships and traineeships and assisting around 116,000 employers.
- Department data indicates larger employers are not overrepresented compared to the proportion of jobs across the economy:
- There may be other national brand names that have claimed the BAC subsidy, as many operate as franchises or subsidiaries across multiple ABNs. Claims are processed based on ABNs, so it is not always possible to track franchise or subsidiary arrangements.



**Question Time Brief – Skills and Training**

QB24-000007

Last Updated by Department: 04 November 2024

- Under the BAC program employers were only able to claim wage subsidies based on actual wages paid and must have engaged apprentices with assistance from an Australian Apprenticeship Service Network provider. This includes completing a Training Contract which was approved by the relevant state authority.

## BACKGROUND

- On 19 February 2024, a Strategic Review of the Australian Apprenticeships Incentive System was announced. The announcement received support from stakeholders including the Australian Council of Trade Unions, Australian Industry Group, Master Builders Australia, National Electrical and Communications Association, National Apprentice Employment Network, Independent Tertiary Education Council Australia, and Electrical Trades Union. The announcement received national media coverage. The Coalition responded that the 15 May 2024 closure of written submissions to the Review suggested there would be no new structural supports for apprentices and trainees in the Budget, and that they would have to await further direction on supports and incentives.
- On 3 May 2024, changes to the New Energy Apprenticeships Program were announced. The changes broaden the eligibility to respond to issues raised by industry during consultations about issues facing key sectors as they transition to clean energy and adapt to new technology.
- On 14 May 2024, as part of the 2024/25 Budget, changes to the Australian Apprenticeships Incentive System were announced partially reversing scheduled cuts to incentive payments to apprentices and their employers in priority occupations
- On 12 September 2024, the National Centre for Vocational Education Research (NCVER) released its latest publication '*Australian vocational education and training statistics: completion and attrition rates for apprentices and trainees 2023*'.
- On 13 September 2024, the final report of the Strategic Review of the Australian Apprenticeships Incentive System was delivered to Government.
- On 6 October 2024 the Australian Financial Review released an article on the amount paid to McDonald's (\$72m) to train its staff under the Boosting Apprenticeships Commencement (BAC) Program.
- On 9 October 2024, the National Centre for Vocational Education Research (NCVER) released its latest publication '*Apprentices and trainees 2024: March quarter*'.
- On 2 November 2024, the Australian Government announced it will raise the minimum repayment threshold for student loans and cut repayment rates to make the repayment system fairer for all Australians with a student debt.
- On 3 November 2024, the Australian Government announced it will reduce all student loan debts by 20 per cent.

Pages 54 - 66 removed under section 22(1)(a)(ii) of the FOI Act.

**Question Time Brief – Skills and Training**

PDR NoQB24-000043

Last Updated by Department: 25 October 2024

**The National Skills Agreement****HEADLINE**

- The National Skills Agreement (NSA) is the Australian Government’s landmark agreement with states and territories to boost investment in Australia’s Vocational Education and training (VET) system over the next 5 years and ensure Australia has the skilled workforce it needs now and into the future.

**TALKING POINTS**

- Under the NSA, the Commonwealth Government will provide up to \$12.6 billion over 5 years, representing an additional \$3.7 billion investment in the skills system from previous funding levels.
  - \$1,798.8 million in flexible funding and \$18.0 million in policy initiative funding has been paid to states and territories since the NSA commenced on 1 January 2024 (to the end of October 2024).
- The NSA will deliver a skilled Australian workforce with TAFE at the heart of the VET sector. It will support access for all to the education, training and assistance they need to participate and prosper in the modern economy.
- The NSA represents a fundamental shift in the way governments work together to address shared challenges and opportunities and work towards agreed national priorities, while preserving flexibility for states to align local skills supply with demand.
- The TAFE Centres of Excellence policy initiative is central to delivering a reinvigorated VET sector through the NSA. The first seven TAFE Centres of Excellence have been announced in the ACT, Western Australia, Queensland, South Australia and New South Wales. The Government is investing:
  - \$9.66 million, to be matched by the ACT Government, to establish Australia’s first TAFE Electric Vehicle Centre of Excellence and a further \$4.8 million to accelerate creation of the Centre
  - \$32.75 million, to be matched by the WA Government, to establish the Clean Energy Skills National Centre of Excellence and an additional \$5 million to fast track its establishment
  - \$15.00 million, to be matched by the Queensland Government, to establish the Queensland TAFE Centre of Excellence – Health Care

and Support and an additional \$5.0 million to fast-track its establishment

- \$11.51 million, to be matched by the SA Government, to establish the TAFE SA Centre of Excellence in Early Childhood Education and Care and an additional \$5.0 million to fast track its establishment.
  - \$26.98 million, to be matched by the NSW Government, to establish the Western Sydney Advanced Manufacturing Centre of Excellence.
  - \$10 million, to be matched by the Queensland Government, to establish the TAFE Queensland Batteries Centre of Excellence.
  - \$28.105 million, to be matched by the NSW Government, to establish the Hunter Net Zero Manufacturing Centre of Excellence and an additional \$5.274 million to fast-track establishment.
- All other jurisdictions are working on applications for Centres of Excellence and more announcements will be made soon.

## KEY FACTS & STATS

Commonwealth funding totalling up to \$12.6 billion under the NSA includes:

- up to \$11.3 billion in *flexible funding* to support state and territory skills systems
- a further \$1.3 billion to *implement key policy initiatives*, including:
  - \$325 million to establish nationally networked **TAFE Centres of Excellence** and strengthen collaboration between TAFEs, universities and industry (requires matched contribution from states)
  - \$100 million to support, grow and retain a **quality VET workforce** (requires matched contribution from states)
  - \$155 million to establish a **National TAFE Network** fostering collaboration among TAFE teachers and administrators and enhancing teaching and learning (requires matched contribution from states)
  - \$214 million for **Closing the Gap initiatives** to be designed in partnership with First Nations peoples (requires matched contribution from states)

- \$250 million to improve **VET student outcomes, including completions**, particularly for cohorts who face completion challenges (requires matched contribution from states)
- \$142 million to improve **foundation skills training** capacity, quality and accessibility
- \$116 million to improve **VET evidence and data**.
- **States will need to contribute \$21.6 billion** of their own funding to access the maximum available Commonwealth funding, bringing the total potential investment in the VET system by all governments to over \$30 billion.

## **IF ASKED**

### **Why is it taking so long to progress the policy initiatives?**

- The Commonwealth is working collaboratively with the states to negotiate arrangements for the policy initiatives under the NSA. There has been significant progress in a number of areas, particularly TAFE Centres of Excellence, and further announcements are expected soon.

### **Why isn't [specified industry or cohort] included as a national priority under the NSA?**

- The eight national priorities have been agreed by all skills ministers as requiring early focused efforts to address critical skills and workforce shortages and ensure all Australians have pathways to gain the skills needed to participate in the workforce and society more broadly.
- The national priorities will be reviewed regularly by the Skills and Workforce Ministerial Council and may be changed to address new and emerging needs.

## BACKGROUND

- Under the NSA, all governments have committed to ongoing and **meaningful engagement with the VET sector, tripartite leadership** structures such as Jobs and Skills Australia and Jobs and Skills Councils, as well as with **First Nations organisations** and communities.
- **National priorities** are areas all governments have agreed require focused effort to address critical skills and workforce shortages. The national priorities are:
  - gender equality
  - Closing the Gap
  - supporting the Net Zero transformation
  - sustaining essential care services
  - developing Australia’s sovereign capability and food security
  - ensuring Australia’s digital and technology capability
  - delivering reforms to improve the regulation of VET qualifications and quality and
  - delivering housing supply (added on 8 March 2024).
- The NSA introduces a step-change in governments’ approach to delivering on **Closing the Gap commitments** for skills, with dedicated investment and concrete action to ensure that the design and delivery of VET for first Nations people is in full and genuine partnership.
- The Commonwealth has worked closely with states and territories to finalise a **National Skills Plan** to describe how the vision and ambitions of the NSA will be delivered. The Plan was released by the Skills and Workforce Ministerial Council on 20 September 2024.
  - All jurisdictions will publish **Jurisdictional Action Plans**, detailing how they will deliver on the National Skills Plan and the agreed outcomes and priorities of the NSA, by November 2024.
- Commonwealth and state and territory officials are working closely on the development of **implementation plans to support the delivery of the policy initiatives** under the National Skills Agreement.

## Media

- *Net Zero Manufacturing TAFE Centre of Excellence in the Hunter, Joint media release, 29 October 2024*
- *Clean Energy TAFE Centre of Excellence for Queensland, Joint media release, 17 September 2024*
- *TAFE Manufacturing Centre of Excellence announced for Western Sydney, Joint media release, 5 September 2024*
- *Early Childhood Education and Care TAFE Centre of Excellence, Joint media release, 24 July 2024*
- *\$35 million Care and Support TAFE Centre of Excellence for Cairns, Joint media release, 17 July 2024*
- *WA to host first TAFE Clean Energy Skills National Centre of Excellence, Joint media release, 10 June 2024*

**Question Time Brief – Skills and Training**

- *Canberra Institute of Technology to host first TAFE Electric Vehicle Centre of Excellence, Joint media release, 6 May 2024*

**Timeline**

- On **20 July 2022**, Skills Ministers agreed to reset negotiations on the NSA. Under the previous government, National Cabinet committed to a new NSA being finalised in the first half of 2022. However, governments were unable to reach agreement and negotiations had stalled.
- On **31 August 2022**, First Ministers agreed to commence work on a new long-term NSA and endorsed the vision statement and guiding principles.
- On **27 April 2023**, Minister O'Connor announced an extra \$3.7 billion for the 5-year NSA, in addition to \$400 million for a further 300,000 Fee-Free TAFE and vocational education places.
- On **25 August 2023**, Skills Ministers reaffirmed governments' shared commitment to the NSA commencing on 1 January 2024, and agreed the NSA would embed a model for shared national stewardship.
- On **17 October 2023**, First Ministers endorsed the new National Skills Agreement.
- The NSA commenced **1 January 2024**.
- On **8 March 2024**, Skills Ministers agreed to add Delivering Housing Supply to the national priorities, bringing the total to eight.
- On **20 September 2024**, the first National Skills Plan was released. The Plan describes how the vision and ambitions of the NSA will be delivered.
- **Ongoing:** Commonwealth and state and territory officials are working closely on the development of implementation plans to support the delivery of the policy initiatives.
  - Assessment of applications for additional funding of up to \$31.6 million through the Turbocharging TAFE Centres of Excellence measure to support rapid establishment and development of higher apprenticeships, is also underway.



Pages 72 - 83 removed under section 22(1)(a)(ii) of the FOI Act.

**Question Time Brief – Skills and Training**

QB24-000072

Last Updated by Department: 13 August 2024

Last Updated by Adviser: XX Month YYYY

**Government-Funded Vet Students and Courses 2023****HEADLINE**

- Annual NCVET publication on Government-funded VET students and courses 2023.

**TALKING POINTS**

- The NCVET published the Government-funded students and courses 2023 report on 10 July 2024.

**KEY FACTS & STATS***Fee-Free TAFE and the National Skills Agreement*

- Through Fee-Free TAFE, the Commonwealth Government has partnered with states and territories to deliver over \$1.5 billion funding for 500,000 Fee-Free TAFE and VET places across Australia over 2023 to 2026.
- Fee-Free TAFE supports training places in areas of high demand and skills need and supports students by removing financial barriers to study.
- Fee-Free TAFE commenced on 1 January 2023 in line with the commencement of the National Skills Agreement.

*Government-funded students at TAFE*

- This report on government funded training activity includes training up until 31 December 2023. Activity from the Fee-Free TAFE program is just a subset of overall government funded students. Those funded through the Fee-Free TAFE program cannot be identified or isolated through the government-funded or TVA data.
- The report does, however, show an increase in the take up of government funded TAFE. In 2023, compared to 2022 there were:
  - 50,000 more government funded TAFE students
  - 47,000 more government funded TAFE qualification enrolments
  - 94,000 more government funded TAFE qualification commencements
  - 15.5 million more hours undertaken in government funded TAFE, of which 14 million were in qualifications.

*Completions of Certificate IV in plumbing*

- The *Certificate IV in Plumbing and Services* course is designed for registered plumbers and final year apprentices, who undertook *Certificate III in*

**Question Time Brief – Skills and Training**

QB24-000072

Last Updated by Department: 13 August 2024

Last Updated by Adviser: XX Month YYYY

*Plumbing and Services*, looking to extend their technical skills and knowledge. It is a pathway to becoming a licensed plumber.

- Victorian Students use the *Certificate IV in Plumbing and Services* to top up a small number of units of competency needed to apply for a plumbing licence or attend their business needs.
- The top 3 most studied units in *Cert IV in Plumbing and Services* – are in the Victorian Building Authority (VBA)'s prescribed list of 5 common units for licencing approval:
  - Carry out work-based risk control processes
  - Estimate and cost work
  - Establish legal and risk management requirements of small business / new business ventures
- Plumbers enrol in this course to access the small number of units required for licensing, not the full course. The outcome of this is more licensed plumbers in Victoria, which meets a critical need.

*Fee-Free TAFE completion rates*

- In 2023, states and territories reported 56,288 completions, representing a completion rate of around 16%.
- While there is a relatively low number of completions, this is due to a number of reasons, including:
- Most courses supported by Fee-Free TAFE are full qualifications (89%) at Certificate III and above
- These courses take longer to complete, up to 3 years (with full time study)
- Students are at different stages of progress
- Enrolments include a mix part-time and full-time qualifications.
- Additionally, to support completions under tranche 1, the Commonwealth and states and territories also invested \$47.3 million into Fee-Free TAFE student support in 2023. This will enable additional wraparound student supports to enhance access to training and improve completions.

*NCVER student outcomes data*

- There is data on the objectives and achievements of VET students in the [VET student outcomes 2023 \(ncver.edu.au\)](#) publication. This data is for students who were studying a VET course during 2022 and was collected by survey in June and August 2023. It is not Fee-Free TAFE specific.
- As reported in 2023, the most common reason for undertaking training for:
  - qualification completers was 'to get a job', at 23.2%

**Question Time Brief – Skills and Training**

QB24-000072

Last Updated by Department: 13 August 2024

Last Updated by Adviser: XX Month YYYY

- qualification part-completers was 'to get a job' and 'it was a requirement of my job', at 18.8% and 18.4% respectively
- short course completers, short course part-completers and subject(s) only completers was 'it was a requirement of my job', at 30.3%, 47.5% and 50.8%, respectively.
- As reported in 2023:
  - 88.1% of qualification completers achieved their main reason for training, up 0.9 percentage points from 2022
  - 77.2% of part-completers achieved their main reason for training, similar to 2022.

**IF ASKED****Why were there 12,000 fewer students at TAFE in 2023 compared to 2020?**

- VET consists of qualifications, short courses, and subjects outside of a program.
- In 2020, there were many students who received government funding to undertake short courses during the COVID-19 pandemic, whereas in 2023, there were many more TAFE students who studied a full qualification.
- The apparent drop of 12,000 government-funded students at TAFEs from 2020 to 2023 was an anomaly in response to the pandemic which saw an increase of 70,000 enrolments in online short-courses.

**Why are the government-funded data from NCVER's 'Government-funded students and courses' and 'Total VET students and courses' different?**

- The Government-funded students and courses publication reports on government-funded VET activity both nationally recognised and non-nationally recognised delivered by registered and non-registered training organisations.
  - It does not include VET delivered overseas and VET delivered in schools as part of a senior secondary certificate.
  - It does not cover training that has not yet started (which is referred to as 'enrolments' in Fee-Free TAFE reporting).
- The Total VET students and courses includes both government-funded and fee-for-service VET activity, as well as VET in schools. It only includes nationally recognised training delivered by RTOs.

***What is the impact of government funding in VET for the Government's key skills priority areas?***

**Question Time Brief – Skills and Training**

QB24-000072

Last Updated by Department: 13 August 2024

Last Updated by Adviser: XX Month YYYY

*Training in priority areas*

- There were more than 512,000 government-funded qualification enrolments in areas of skills shortages in 2023, an increase of 27% over 2019.
- There were more than 57,000 government-funded program enrolments in the *Certificate III in Individual Support*, an increase of 16% over 2019.
- There were more than 55,000 government-funded program enrolments in the *Certificate III in Early Childhood Education and Care*, an increase of 66% over 2019.
- There were more than 45,000 government-funded program enrolments in the *Certificate III in Electrotechnology Electrician*, an increase of 37% over 2019.

*Training for priority groups*

- There were more than 88,000 government-funded First Nations students in 2023, an increase of 6% over 2019.
- There were more were 110,000 government-funded students with disability in 2023, an increase of 2% over 2019.
- There were more than 297,000 government-funded students in low socio-economic areas in 2023, an increase of 8% over 2019.
- Gender gaps in male-dominated fields of education continue to decrease.

**MEDIA**

- Newspaper article: VET numbers soar past 1.26 million in skills push (Rhiannon Down, The Australian, 11 July 2024)
- Summary: Commentary from Opposition skills spokesperson Sussan Ley, suggesting that the government was misrepresenting the success of Fee-Free TAFE and that there were fewer VET students than in 2020. Response from then Minister O'Connor rejected that criticism, noting the difference in what training students were undertaking.

**BACKGROUND**

- The National Centre for Vocational Education Research (NCVER) is the national body responsible for collecting, managing, analysing, and communicating research and statistics on the Australian vocational education and training (VET) sector.

## Question Time Brief – Skills and Training

QB24-000072

Last Updated by Department: 13 August 2024

Last Updated by Adviser: XX Month YYYY

- This annual report focuses on domestic training activity that has benefitted from state/territory and/or Australian Government funding. It does not provide a snapshot of the whole VET market. For instance, in 2022, there was a total of 4.5 million VET students overall, with government funded students representing about 26.4% of the market or 1.2 million students.
- The major NCVET data source for all nationally recognised training is Total VET students and courses, also known as Total VET Activity (TVA). The 2023 TVA publication is scheduled to be released by NCVET in September 2024.
- Key differences between the government funded report and TVA are:
  - The government funded publication includes government-funded activity only, includes non-nationally recognised training, and excludes VET in schools. Consequently, TVA is generally the preferred data source for total and government-funded VET activity
  - Not all VET students receive government funding to undertake VET courses (domestic and international students can undertake fee-for-service training). These other students are covered by TVA.

Page 89 removed under section 22(1)(a)(ii) of the FOI Act.

**Question Time Brief – Skills and Training**

QB24-000077

Last Updated by Department: 30 October 2024

**International Education and Skills Strategic Framework****HEADLINE**

- The Albanese Government is strengthening the integrity and sustainability of the international education sector.
- The government is getting the balance right so the VET sector can grow sustainably into the future, and deliver positive experiences for international students that provide opportunities to train alongside Australian students.

**TALKING POINTS**

- Managed growth will provide predictability and certainty for international education providers and will safeguard the quality of Australia's international education offerings, providing better support for students looking to study in Australia.
- To achieve this, the government is setting a National Planning Level, for the calendar year 2025. This planning level will see 270,000 new overseas student commencements.
- These new overseas student commencements will be divided between the higher education and VET sectors with 94,500 allocated to the VET sector.
- The government will determine the number of new international students commencing at each provider. This will ensure that future growth creates a more diverse and resilient international VET sector.
- Those VET providers who currently have a higher concentration of international students will receive a lower new overseas student commencement allocation. In response, the government expects that these providers will seek to diversify their student base in the future.
- This will improve integrity and enhance the international student experience by providing more opportunities to train alongside Australian students. This improved opportunity will make sure that students are appropriately provided with the skills and knowledge they need for employment, whether in Australia or at home.

**Contact Officer:** s 22(1)  
s 22(1)

A/g Assistant Secretary, Skills System and International Branch **Telephone:**



- Subject to the passage of legislation, from 1 January 2025, this new system of managed growth will replace Ministerial Direction 107.

## **IF ASKED**

### **About the impacts of student limits on a particular industry sector**

- The National Planning Level will impact international student training numbers across a range of industry sectors – the government is carefully considering those impacts.
- A managed approach to growth in the international education and training system will provide long term certainty for training providers in those very sectors and bring the benefits of more diverse and resilient sector into the future.

### **Why have indicative student limits been sent to providers that are subject to ASQA sanctions?**

- All registered providers have received indicative student limits.
- This includes 16 providers that currently have matters in the AAT seeking review of ASQA’s decision to cancel or suspend ESOS registration.
- In the interests of procedural fairness, the government will not pre-empt the findings of any ongoing appeals processes involving providers sanctioned by ASQA.
- In the event a provider is de-registered, any unused student allocations will be returned to a ‘reserve’ managed by the department.

## Question Time Brief – Skills and Training

### BACKGROUND

- The draft International Education and Skills Strategic Framework was released for public consultation on 11 May 2024. Consultation was undertaken with the international education sector through a submissions process and meetings with stakeholders until 18 June 2024.
- Under the draft Strategic Framework, the Government indicated it will work with the sector to consider the optimal make-up of the onshore international education sector. This will take into account integrity and quality issues at a provider, location and course enrolment level and determine whether the composition of the sector is optimised to deliver the skills Australia needs.
- To support the implementation of the Framework, the Government introduced the Education Services for Overseas Students Amendment (Quality and Integrity) Bill 2024 to the Parliament on 16 May 2024. When passed, the bill will enable the Minister for Education to limit international student enrolments in the higher education sector, and in the VET sector with agreement of the Minister for Skills and Training.
  - The Senate referred the bill to the Education and Employment Legislation Committee on 16 May 2024, which reported on 9 October 2024. The report made 8 recommendations, including that the Bill be passed. All recommendations are relatively minor or technical in nature, non-controversial reflect sector feedback.
- On 6 and 7 September 2024 the Department wrote to VET providers to provide their individual indicative new overseas student commencement limits for 2025.
- On Tuesday 27 August 2024, Government publicly announced the National Planning Level (NPL) and managed growth approach through a joint media release. Government also sent letters to all individual VET providers advising them of the NPL, VET sector planning level and approach to distributing new overseas student commencements (NOSCs) in the VET sector.

### Key Media

<p><b>Australian Financial Review</b> Julie Hare, 3 October 2024 <a href="#">Student caps not for migration: Senate hearing</a></p>	<p>The article reports on evidence presented to the Senate inquiry into the draft ESOS Bill, that the purpose of international student caps (in the VET sector) was to increase quality and integrity and ensure greater diversity within providers, particularly the mix of international and domestic</p>
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**Question Time Brief – Skills and Training**

QB24-000077

Last Updated by Department: 30 October 2024

	students, rather than to bring down net overseas migration.
<b>The Koala</b> Tracy Harris, 27 September 2024 <u><i>Controversial caps an insight to an uncertain future</i></u>	The article reports on detailed analysis of the VET sector distribution methodology by VET sector observer Clare Field, and contends there are some anomalies in the approach to new providers.
<b>The Australian</b> Geoff Chamber, Rhiannon Down, 26 September, 2024 <u><i>Game on: visa appeals surge</i></u>	The article reports on a surge in appeals to the AAT from international students who have had onshore visa applications or renewals refused.
<b>The Canberra Times</b> Melania Macfarla, 26 September, 2024 <u><i>Student cap will run a wrecking ball through education sector</i></u>	The article reports on potential impacts of international student settings including the cap on student numbers, including on students from provider closures, possible workforce impacts for sectors that rely on international students, and for tourism related to international study.
<b>The Australian Financial Review</b> Julie Hare, 16 September 2024 <u><i>Banned colleges allocated student places</i></u>	The article reported that 11 private VET colleges that are facing sanctions from ASQA for failing to meet quality standards have been allocated international student places under the National Planning Level, while the viability of legitimate providers is under threat.

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**Question Time Brief – Skills and Training**

QB24-000077

Last Updated by Department: 30 October 2024

<p><b>The ABC</b> Victor Petrovic, 1 September 2024 <i><u>International students and university staff concerned about impact of future cap on overseas student numbers</u></i></p>	<p>The article reported that international students and university staff have voiced concern about the impact of international student limits on the future viability of Australia’s tertiary institutions.</p>
<p><b>The PIE News</b> Beth Kennedy, 29 August 2024 <i><u>Explained: the national planning level in Australia and how it could affect you</u></i></p>	<p>This article reported on calls from the sector for Government to clarify the meaning of ‘new student commencement’. The article also noted that VET providers would feel the shock of the cap more acutely than higher education providers.</p>
<p><b>The ABC</b> Tom Crowley, 29 August 2024 <i><u>Universities warn international student cap could slash numbers further than intended</u></i></p>	<p>The article reported that representatives from large universities have warned the federal government’s proposal to cap international student enrolments at 270,000 could lead to a number below the cap.</p>
<p><b>Joint Media Release</b> The Hon Jason Clare MP, the Hon Toney Burke MP, and Senator the Hon Murray Watt, 27 August 2024 <i><u>Improving the sustainability of international education</u></i></p>	<p>This included announcing the National Planning Level (NPL) of 270,000 new international student commencements for 2025 and the approach to distributing international student commencements for the higher education and VET sectors.</p>

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## BACK-POCKET DATA

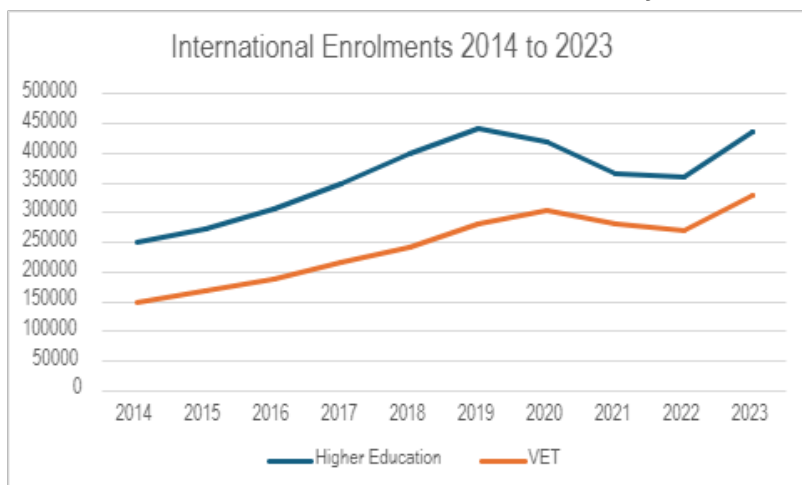
### International VET sector key numbers

- The international student sector had 975,229 enrolments in 2023, including 328,009 (34%) enrolments in VET and 437,485 (45%) in Higher Education.
- International VET enrolments in 2023 were 17% higher than 2019. Higher education enrolments for the same period were 5% higher.
- There were 1,498 international education and training providers on 1 August 2024, and more than 900 international VET providers (ie. registered on the Commonwealth Register of International Courses for Overseas Students – CRICOS), including 21 public providers.
  - The exact number of international VET providers fluctuates due to providers entering and exiting the market in any given year.
- 31% (285) of all private VET CRICOS providers have their head office in NSW, 32% (291) in Victoria and 18% (165) in Queensland.

Table 1 – International Enrolments over last 10 years

	Higher Education	VET
<b>2014</b>	271,794	149,514
<b>2015</b>	305,535	168,659
<b>2016</b>	349,304	187,028
<b>2017</b>	398,367	216,835
<b>2018</b>	440,856	243,026
<b>2019</b>	418,355	281,387
<b>2020</b>	365,662	304,395
<b>2021</b>	360,026	281,708
<b>2022</b>	360,026	271,083
<b>2023</b>	437,485	328,009
<b>2024 YTD April</b>	392,011	262,536

Chart 1 - International Enrolments over last 10 years



Source: Department of Education, 2005-2023

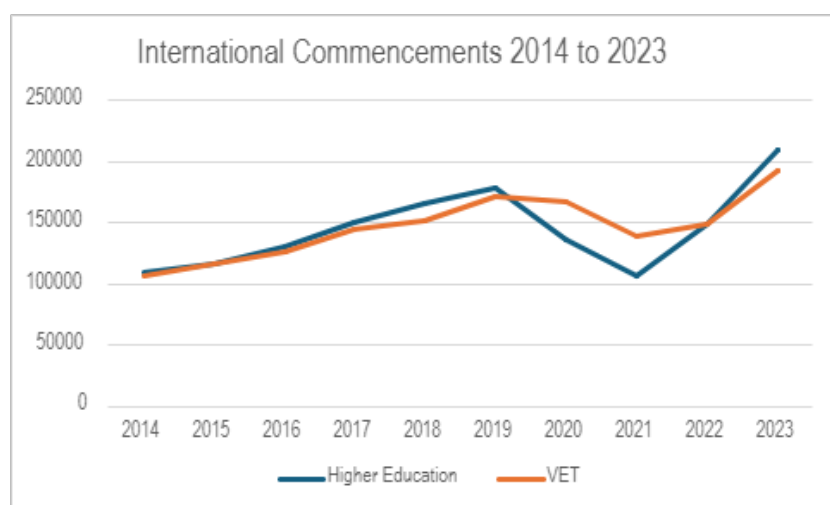
Table 2 – International Commencements over last 10 years

Note: A commencement is the first time a student is enrolled at a provider for a calendar year, whereas enrolments are cumulative and include continuing enrolments from commencements in previous years, so will always be much higher.

	Higher Education	VET
2014	109,411	106,560
2015	116,820	116,928
2016	131,148	125,831
2017	149,951	144,385
2018	166,569	151,416
2019	178,745	170,997
2020	136,138	168,041
2021	106,138	139,206
2022	148,637	149,285
2023	209,944	192,668
2024 YTD May	115,948	103,604

Source: Department of Education, 2005-May 2024

Chart 2 - International Commencements over last 10 years



Source: Department of Education, 2005-May 2024

### Geographical distribution of International VET providers

Preliminary analysis of the geographic distribution of providers, noting available provider data does not indicate the location of delivery, only provider head offices.

- 31% (285) of all private VET CRICOS providers in Australia have their head office in NSW, 32% (291) in Victoria and 18% (165) in Queensland.
- 34% of all new commencements in 2023 began in NSW, followed by Victoria (28%) and Queensland (22%)
- 71% of Specialist International Providers (SIPs) (265 of 371) have their head office address listed at locations in Victoria and NSW.

- Top 5 locations for SIPs by postcode: Melbourne City, Sydney City, Parramatta, Surry Hills and Brisbane City.

The heat map below shows new overseas VET student commencements by location of the provider's head office in 2023.



\* The map only indicates a providers' head office location.

## **International VET students are a small contributor to both arrivals and Net Overseas Migration (NOM)**

### VET student arrivals

- In 2022-23, there were 36,620 VET student arrivals, which was:
  - 13 per cent of all student visa arrivals
  - 7 per cent of all temporary visa arrivals
  - 5 per cent of all arrivals (temporary and permanent)

### Higher education arrivals

- In 2022-23, there were 183,060 higher education student arrivals, which was:
  - 65 per cent of student visa arrivals
  - 33 per cent of all temporary visa arrivals
  - 25 per cent of all arrivals

### VET NOM contribution

- In 2022-23, VET students contributed 32,100 to NOM, which was
  - 12 per cent of student NOM
  - 6 per cent of overall NOM

### Higher education NOM contribution

- In 2022-23, higher education students contributed 175,660 to NOM
  - 66 per cent of student NOM
  - 34 per cent of NOM

In 2022-2023, contribution to NOM from visa categories was as follows:

#### Permanent

- Family: 3%
- Skilled Permanent: 6%
- Humanitarian: 2%

#### Temporary

- VET: 6%
- Higher Education: 34%
- Student Other: 12%
- Skilled Temporary: 8%
- Working Holiday: 13%
- Visitors: 17%
- Other: 3%

#### Australian and New Zealanders

- New Zealand citizens: 5%
- Australian citizens: -7%

**Source: ABS Overseas Migration, 2022-23 (see tables below for further detail).**

**Table 3 – VET Contribution to Arrivals and Student Arrivals over 10 years to 2022-23**

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Migrant Arrivals (includes Australians and New Zealanders)	464,680	465,250	489,280	540,150	527,520	550,400	506,850	146,000	426,730	737,170
Student Arrivals	114,330	122,120	132,130	149,410	157,630	164,350	110,440	1,520	141,420	282,570
Student contribution to Arrivals (%)	25%	26%	27%	28%	30%	30%	22%	1%	33%	38%
VET Arrivals	9,740	11,180	15,720	16,300	19,650	22,650	11,420	120	21,470	36,620
VET contribution to arrivals	2%	2%	3%	3%	4%	4%	2%	0%	5%	5%
VET contribution to student arrivals	9%	9%	12%	11%	12%	14%	10%	8%	15%	13%
Higher Education Arrivals	79,140	85,070	89,170	101,440	106,520	111,310	75,950	730	98,410	183,060
Higher Education contribution to arrivals	17%	18%	18%	19%	20%	20%	15%	1%	23%	25%
Higher Education contribution to student arrivals	69%	70%	67%	68%	68%	68%	69%	48%	70%	65%

**Source: ABS Overseas Migration, 2022-23**



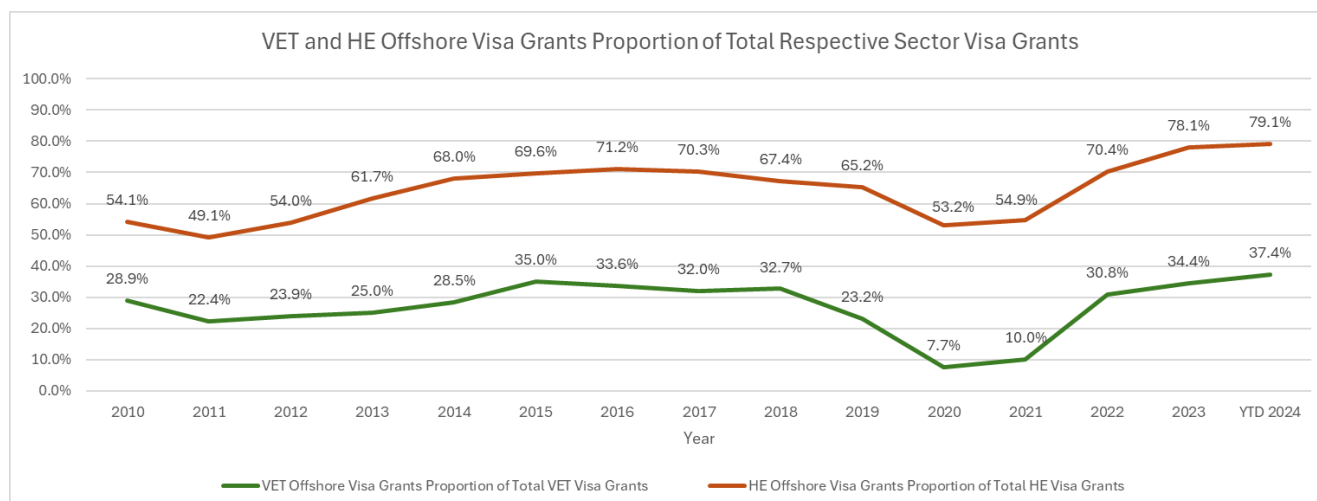
Table 4 – VET contribution to NOM and Student NOM over 10 years to 2022-23

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
NOM	187,780	184,030	206,240	263,350	238,220	241,340	192,690	-84,930	203,590	518,090
Student contribution to NOM	70,180	77,080	88,020	102,600	102,220	96,900	9,520	-60,670	114,560	267,720
Student contribution to NOM (%)	27%	30%	30%	28%	30%	29%	5%	42%	36%	34%
VET contribution to NOM	1,480	2,460	5,820	4,910	4,500	5,670	-10,740	-10,940	14,470	32,100
VET contribution to NOM (%)	1%	1%	3%	2%	2%	2%	-6%	13%	7%	6%
Higher education contribution to NOM	52,580	59,740	64,980	76,030	75,370	70,380	9,920	-42,850	82,880	175,660
Higher Education contribution to NOM (%)	28%	32%	32%	29%	32%	29%	5%	50%	41%	34%
Other student contribution to NOM	16,120	14,880	17,220	21,660	22,350	20,850	10,340	-6,880	17,210	59,960
VET contribution to student NOM (%)	2%	3%	7%	5%	4%	6%	-113%	18%	13%	12%
Higher education contribution to student NOM (%)	75%	78%	74%	74%	74%	73%	104%	71%	72%	66%
Other student contribution to student NOM (%)	23%	19%	20%	21%	22%	22%	109%	11%	15%	22%

Source: ABS Overseas Migration, 2022-23

**Only 37.4% of student visas for VET study have been granted offshore in 2024, compared to 79.1% of visas for higher education**

Chart 3 – VET and Higher Education Offshore Visa Grants



Source: Department of Home Affairs published visa grants

**Question Time Brief – Skills and Training**

QB24-000083

Last Updated by Department: 04 November 2024

**HELP Debt Reform****HEADLINE**

- The Australian Government has announced changes to student loans, including VET Student Loans and Australian Apprenticeship Support Loans to make the repayment system fairer for all Australians with a student debt.

**TALKING POINTS**

- The government is lifting the minimum repayment threshold from \$54,435 in 2024-25 to \$67,000 in 2025-26 to ease pressure on students (subject to the passage of legislation).
- It is also changing how the repayment is calculated. Similar to how income tax is calculated, only the portion of the person's income above \$67,000 will be used to calculate the compulsory repayment amount, rather than their total income.
- This will deliver significant cost of living relief to Australians by increasing the amount people must earn, before they are required to start making compulsory repayments and by reducing the amount of their student loan debt repayments at any given level of income.
- The Government is also wiping 20 per cent from the balance of a student's HELP and other student loan debt including VET Student Loans, so they will have less to pay off.
- The 20 per cent student loan debt reduction will be applied by the Australian Taxation Office (ATO) following the passage of legislation, and will be given effect from 1 June 2025.

**KEY FACTS & STATS**

- The one off 20 per cent student loan reduction measure will **cut more than \$16 billion in student loan debt**, and applies to all income contingent student loans including VET Student Loan, and Australian Apprenticeship Support Loan and other student support loan accounts.
- This will apply to over **126,000 VET Student Loan accounts**.
- **VET Student Loans represent around 3.5 per cent of all income contingent loan accounts administered by the government.** This is based on ATO data as at 30 June 2024.

**IF ASKED****What is the Impact of these HELP debt reform changes on VET Student Loans?**

- This will impact on individuals who currently have outstanding VET Student Loans (VSL) debt.
- Individuals with an outstanding VSL debt, who are earning below the \$67,000 threshold will not be required to make an annual compulsory repayment.
  - Individuals earning above this amount, will have their compulsory repayments calculated against a portion of their income, rather than the total amount.
  - For example, someone on an income of \$70,000 will pay around \$1,300 less per year in repayments.
- A one-off 20 per cent reduction will be applied to all outstanding VSL. This will take effect on 1 June 2025 (subject to passage of legislation). This will reduce the overall loan balance and therefore ease some pressure experienced by individuals with outstanding debt.
  - For example, someone with a median outstanding VSL debt of \$6,394 will see \$1,279 wiped from their debt next year.

**What does this do to the length of time where VSL repayments are required?**

- People’s individual circumstances will vary but on average, the length of time to pay off a VET Student Loan debt will stay about the same:
  - the 20 per cent debt reduction will reduce the value of the debt, which naturally reduces the time taken to pay the debt down if it is a lower amount;
  - increasing the minimum repayment threshold from around \$54,000 to \$67,000, and shifting to the marginal repayment system, will mean repayments are lower each year for individuals with VETSL debt.
  - taken together, the average length of time where VSL repayments are required will stay about the same. Note: introduction of the marginal repayments rates on its own may have meant that some people could have taken a year or two longer to pay off their student loan debts.

**Surely there are some people who lose from these changes? What do you mean by ‘in real terms’?**

- No one is worse off in real terms.
- For individuals who are on low incomes and who aren't required to make large compulsory VSL repayments, the length of time they have a VET Student debt may slightly increase and the amount of indexation applied over the life of their loan may slightly increase.
- This just means that the value of the HELP debt stays the same in real terms however long you have the debt, consistent with the design of the arrangements right back to 1989.
- The government has also made indexation more fair, by capping it at the lower of CPI or WPI, meaning that the size of your debt will never grow faster than increases in wages.

**Question Time Brief – Skills and Training**

QB24-000083

Last Updated by Department: 04 November 2024

**BACKGROUND**

- The Government announced two major reforms to the higher education system on 2 and 3 November 2024 – (1) cutting 20 per cent off all student loan debt and (2) making the repayment system fairer.

**Repayment System Changes**

- From 1 July 2025, the government will introduce a new minimum repayment threshold and marginal rates of repayment.
- The new minimum repayment threshold of \$67,000 represents around 75 per cent of average full-time earnings of a recent higher education graduate as measured by the Australian Bureau of Statistics.

**Proposed repayment thresholds with effect from 1 July 2025**

Income Thresholds	Marginal rate of repayment
Below \$67,000	Nil
Income above \$67,000 to \$124,999	15c for each dollar over \$67,000
Income above \$125,000	\$8,700 plus 17c for each dollar over \$125,000

- The Australian Taxation Office (ATO) will calculate an Individual's compulsory repayment based on their annual income, confirmed once their tax return is submitted.
- The Australian Universities Accord recommended (Recommendation 16b) reducing repayments for lower income earners by moving to a system of marginal repayment rates, having considered submissions from Professor Bruce Chapman and other experts.

**20 per cent Student debt reduction**

- With effect from before 1 June 2025, the government will apply a one-off 20 per cent reduction on all student loan debts to take pressure off for more than 3 million Australians.
- This will cut more than \$16 billion in student loan debt, and applies to all HELP, VET Student Loan, Australian Apprenticeship Support Loan and other student support loan accounts.
- The debt reduction will be applied by the ATO following the passage of legislation, and will be given effect from 1 June 2025.
- This builds on the government's 2024-2025 Budget initiative to cap the HELP indexation rate as well as reducing the indexation applied in 2023 and 2024, which reduced student debt by \$3 billion.
- Combined, these reforms will cut more than \$19 billion in student debt for more than 3 million Australians.

## Question Time Brief – Skills and Training

QB24-000083

Last Updated by Department: 04 November 2024

### Relevant Media

There are numerous media articles outlining the raising of the repayment threshold and lowering student debts by 20 per cent, including the following:

- 2 November 2024, ABC News article “The HECS threshold is being increased and debts are being lowered but repayment times will take longer for some under a new proposal”
- 3 November 2024, Australian Financial Review article “HECS architect says Labour loan cut leaves the real problems unresolved”.
- 4 November 2024, The Australian article “Off-budget bid for a popularity upgrade”.
- 4 November 2024, The Sydney Morning Herald article “Debt relief for students is long overdue”.

**Question Time Brief – Skills and Training**

QB24-000084

Last Updated by Department: 04 November 2024

**Cancellation of Registered Training Organisation Luvium Pty Ltd****HEADLINE**

- The Australian Government is committed to supporting the integrity and quality of the vocational education and training system.

**TALKING POINTS**

- On 5 November 2024, Australian Skills and Quality Authority (ASQA) issued notices of intent to cancel qualifications and statements of attainment issued by Luvium between 1 January 2023 and 19 October 2024 to 7,360 former students in qualifications that include early childhood, disability and individual support services and first aid.
- Former students issued qualifications or statements of attainment during the relevant period have the opportunity to respond to ASQA's notices of intent and provide evidence to establish the legitimacy of their competencies.
- The department is working with ASQA and multiple government agencies to identify any employers and workplaces affected as a critical priority. Impacted employers will be provided with support and guidance to help them manage this difficult situation in due course.
- The integrity of our qualifications is a primary focus, and there is no place for any provider who seeks to undermine the sector or exploits students.
- This action is being taken to protect the integrity of national qualifications and in the interests of community safety.
- ASQA has significantly increased activity in these areas following the establishment of a tip-off line and an uplift in ASQA's intelligence and investigatory capacity through the establishment of ASQA's integrity unit, supported by the government's additional investment of \$37.8 million.
- ASQA, the Department and other relevant federal agencies are coordinating with state and territory regulators and departments to manage and support areas of joint responsibility as ASQA undertakes this independent process, and to manage the impact of any cancellation decisions that may result.

**IF ASKED**

**What qualifications are involved?**

- The ASQA has commenced regulatory action which intends to cancel the qualifications of issued to 7,360 former students who were enrolled in vocational education and training (VET) courses provided by Luvium Pty Ltd (Luvium).
- There are ten qualifications that have been affected, these are:
  - units of CPR competency
  - units of First Aid competency
  - Certificate III in Early Childhood Education and Care and Diploma of Early Childhood Education and Care.
  - Certificate III in Individual Support and Certificate IV in Ageing Support.
  - Certificate IV in Disability and Diploma of Community Services.
  - Diploma of Mental Health.
- It is important to note that qualifications from Luvium obtained prior to January 2023 are not affected.

**Does this mean there are around 7,360 people working in industries dealing with vulnerable people that are not appropriately trained?**

- ASQA has provided information to the relevant regulators and state and territory governments to assist employers to take appropriate action to manage their workforce and risks to clients.
- While ASQA is commencing a process to cancel the VET qualifications and statements of attainment issued by Luvium between 1 January 2023 and 19 October 2024, former students will have the opportunity to respond to this notice and any former students that can demonstrate that they have the necessary skills and experience and that they are entitled to their qualifications will not have their qualifications cancelled.
- ASQA is working to ensure that all relevant individuals that do not have legitimate qualifications are identified and is taking urgent steps to cancel these qualifications.



**Question Time Brief – Skills and Training**

QB24-000084

Last Updated by Department: 04 November 2024

- ASQA, the department and other relevant federal agencies are coordinating with State and Territory regulators and departments to manage and support areas of joint responsibility as ASQA undertakes this independent process, and to manage the impact of any cancellation decisions that may result.