

TRAINING AND SKILLS HIGHER EDUCATION

Two years on from the implementation of the *Skills First* reforms, the new training market settings are showing positive impacts on training quality, with improved outcomes for key industries and student cohorts, particularly throughout the TAFE Network. Student and employer satisfaction towards training outcomes point to general stability in training quality across the government-funded training system. This report provides detailed information on the student and provider profiles of the government-funded training market in Victoria over the 2018 calendar year.

The number of students at TAFE and other government providers in Victoria **grew by 2.1 per cent**, higher than the **national average growth of 0.9 per cent**.



National comparison

The *Skills First* reforms have led to a deliberate shift from high-volume to high-quality training, with overall government-funded VET in Victoria continuing to contract in 2018 – in line with national trends.

TAFE Network providers have **increased their training delivery to Indigenous students and early school leavers**, while ACE providers continue to **lead in Foundation enrolments**.



Learner Cohorts

The training system continues to support all Victorians to have access to high quality training that supports their learning needs and leads to strong job outcomes.

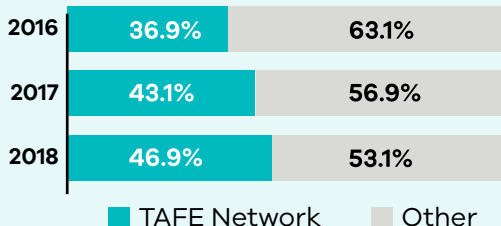
Share of enrolments in Government priority areas



Jobs and Skills

Training is growing Victoria's pool of skilled workers, particularly in government priority areas. Government-funded enrolments increased in courses related to the NDIS, Family Violence and Apprenticeships.

TAFE Network share of students



TAFE Network

The *Skills First* refocusing continues to increase TAFE market share, placing the TAFE Network at the centre of the Victorian training system.

77.5 per cent of students who left training in 2018 were **satisfied with their training**, up 1.0 percentage point compared to the 2016 cohort.



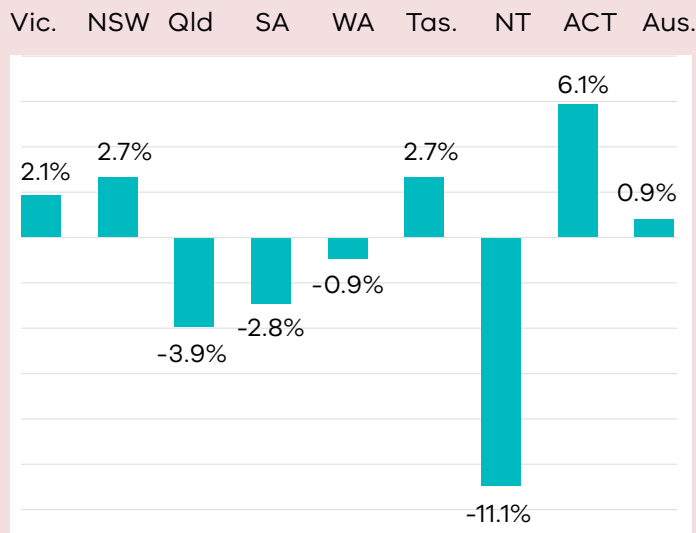
Quality Training

The *Skills First* suite of reforms continue to strengthen training quality, with continued improvements in both student and employer satisfaction outcomes.

NATIONAL COMPARISONS

- In 2018, 270,965 students were enrolled in government-funded vocational education and training (VET) in Victoria, a decrease of 8.5 per cent compared to 2017. This decline was in line with national trends, with student numbers across Australia reducing by 1.9 per cent over the same period.¹ The Victorian decline is a result of the transitioning of the training system from a high quantity to a high quality system.
- The TAFE Network is showing an increase in the number of government-funded students, reflecting Victoria's commitment under *Skills First* to restore confidence in the TAFE and training system. The number of students at TAFE and other government providers in Victoria grew by 2.1 per cent, higher than the national average growth rate of 0.9 per cent.
- *Skills First* continues to strengthen the performance of the TAFE system, with students at TAFE providers (and Dual-Sector Universities) accounting for 46.9 per cent of all Victorian government-funded students in 2018.
- In 2018, 6.3 per cent of working age Victorians participated in government-funded VET, which is slightly lower than the national participation rate of 6.8 per cent.
- The number of students at TAFE and other government providers in Victoria has increased for the third consecutive year, with these providers now training almost half of all government-funded students in Victoria.
- In 2018, 49.5 per cent of government-funded students in Regional Victoria were training at TAFE Network providers, compared to 46.1 per cent across Metropolitan Melbourne.

Chart 1. Change in government-funded students at TAFE and other government providers (2017 to 2018)



Source: NCVET VOCSTATS, Government-funded students and courses, 2018.

Table 1. Estimated participation rate of people aged 15-64 in VET, by state and territory

	2016	2017	2018	PP change 2017-18
Victoria	7.8%	7.1%	6.3%	-0.7
New South Wales	8.3%	7.6%	7.7%	0.1
Queensland	6.8%	6.6%	6.5%	-0.1
South Australia	6.3%	6.0%	6.0%	0.0
Western Australia	6.6%	6.2%	6.0%	-0.2
Tasmania	8.5%	8.0%	7.8%	-0.2
Northern Territory	12.2%	11.5%	10.2%	-1.3
Australian Capital Territory	5.6%	5.9%	6.2%	0.3
Australia	7.5%	7.0%	6.8%	-0.2

Sources: Australian Bureau of Statistics (ABS), Australian Demographic Statistics, December 2018, tables 51-59, cat. no. 3101.0.; NCVET VOCSTATS, Government-funded students and courses, 2018.

Note: Participation rates for 2016 and 2017 differ slightly from those reported in the Victorian Training Market Snapshot 2017, due to revisions to both the NCVET series (to de-duplicate student counts) and the ABS series (as population estimates are revised with each publication).
PP = percentage point change

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

Table 2. Students in government-funded training by state or territory and provider type, 2018

	TAFE and other government providers		Community education providers		Other providers		Students attending more than one provider type		Total	
	2018	% change 2017-18	2018	% change 2017-18	2018	% change 2017-18	2018	% change 2017-18	2018	% change 2017-18
Victoria	129,805	2.1%	38,330	-1.8%	86,850	-21.4%	15,985	-18.4%	270,965	-8.5%
New South Wales	244,750	2.7%	12,350	20.8%	117,670	0.7%	26,125	2.0%	400,890	2.5%
Queensland	57,570	-3.9%	4,005	-4.3%	134,185	3.2%	16,010	-12.3%	211,770	-0.3%
South Australia	38,715	-2.8%	2,840	14.3%	18,255	4.2%	6,410	-5.1%	66,220	-0.6%
Western Australia	70,925	-0.9%	545	-1.8%	26,835	-9.6%	3,995	-5.9%	102,300	-3.6%
Tasmania	13,870	2.7%	-	-	10,205	-9.5%	1,605	4.2%	25,675	-2.5%
Northern Territory	8,755	-11.1%	-	-	7,085	-15.7%	1,960	-2.2%	17,800	-12.1%
Australian Capital Territory	11,460	6.1%	-	-	5,610	9.0%	680	7.1%	17,745	7.0%
Australia	575,840	0.9%	58,070	2.8%	406,695	-5.3%	72,765	-7.5%	1,113,370	-1.9%

Source: NCVET 2018, Australian vocational education and training statistics: Government-funded students and courses 2018 (Data Slicer).

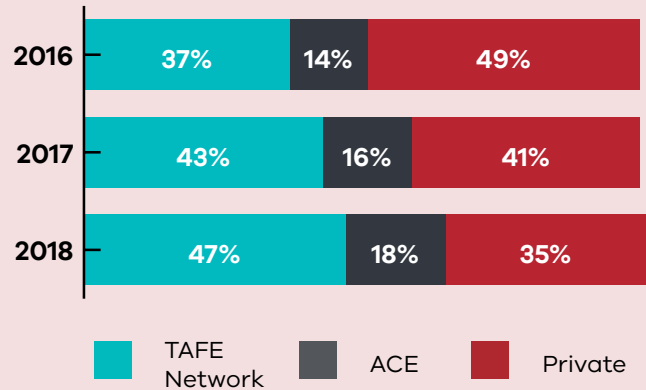
Note: Data for 2017 differs from that reported in the Victorian Training Market Snapshot 2017, due to revisions made to the NCVET time series to de-duplicate student numbers from 2015 onwards.



HIGHER QUALITY VET SYSTEM

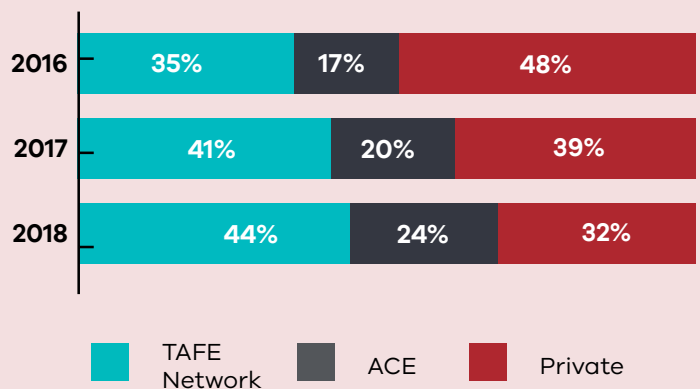
- *Skills First* aims to ensure that every Victorian has access to high-quality training that students and employers can trust. The new training market settings shift focus from high-volume toward high-quality training that leads to jobs and strong economic outcomes.
- In 2018, there were 202,334 new course enrolments (i.e. commencements) and 112,496 continuing enrolments (i.e. students continuing their course from previous years).
- Although TAFE Network government-funded enrolments decreased in 2018, the decline was lower than the decrease in overall market activity. As a result, TAFE Network market share continues to strengthen, growing to 44.2 per cent in 2018 (up 3.3 percentage points).
- Results from the Department's Student and Employer Satisfaction Surveys point to general stability in the training quality of the government-subsidised training system. Around three in four students were satisfied with their VET training and achieved their main reason for training. The improved employment status measure remained steady for students who were unemployed before training, whilst declining slightly for those who were employed before training.

Chart 2. Proportion of government-funded students by provider type



Source: DET training market data.

Chart 3. Market share of course enrolments by provider type



Source: DET training market data.

Table 3. Numbers of students, enrolments, commencements and providers by provider type for the Victorian training system

	Provider Type	2016	2017	2018	% change 2017-18
Students	TAFE	90,226	95,808	93,211	-3%
	Dual Sector	28,255	30,099	31,518	5%
	ACE	44,681	46,624	48,283	4%
	Private	157,928	119,739	92,962	-22%
	All	321,090	292,270	265,974	-9%
Enrolments	TAFE	104,013	109,005	104,533	-4%
	Dual Sector	30,897	32,637	34,644	6%
	ACE	64,728	70,544	74,310	5%
	Private	183,768	134,217	101,343	-24%
	All	383,406	346,403	314,830	-9%
Commencements	TAFE	67,392	67,991	62,373	-8%
	Dual Sector	20,398	21,522	22,818	6%
	ACE	58,272	64,675	66,828	3%
	Private	101,894	67,396	50,315	-25%
	All	247,956	221,584	202,334	-9%
Providers	TAFE	12	12	12	-
	Dual Sector	4	4	4	-
	ACE	266	259	258	-0.4%
	Private	354	322	268	-17%
	All	636	597	542	-9%

Source: DET training market data.

Table 4. Selected results from the Department's Student Satisfaction Survey and Employer Satisfaction Survey

	2016	2017	2018	PP change
Proportion of VET students who achieved their main reason for training	72.7%	73.2%	73.5%	0.3pp
Proportion of VET students with an improved employment status after training*	42.4%	46.2%	45.2%	-1.0pp
Proportion of VET students who were satisfied with training provided by their RTO	76.5%	77.0%	77.5%	0.5pp
Proportion of employers of apprentices and trainees who were satisfied with training provided by their RTO	76.8%	77.6%	78.5%	0.9pp

Source: DET Student and Employer Satisfaction Surveys. Year represents the year students left training. PP = percentage point change, the mathematical difference between 2018 and 2017 results.

*Note: The methodology used to construct the *Proportion of VET students with an improved employment status after training* measure was changed for the 2017 training year, therefore the results for the 2016 and 2017 training years presented in Table 4 are not comparable.

TRAINING FOR REAL JOBS

- The Victorian TAFE and training system aims to develop skills that lead to real jobs, and prioritises funding to courses that align to industry needs and workforce demands, have strong job outcomes and are linked to government priorities that are of the greatest value to the Victorian economy. These include the National Disability Insurance Scheme (NDIS), Family Violence and Infrastructure workforces, and Apprenticeships and High-Value Traineeships.
- Overall government-funded enrolments in priority areas are growing, particularly in courses related to NDIS, Family Violence and Apprenticeships; and TAFE Network providers have expanded their delivery across each of these key priority areas, even as the overall training market moves to a smaller and more stable system.
- The TAFE Network continues to lead in traineeships growth, with enrolments increasing by 5.8 per cent from 2017 to 2018. Overall traineeship enrolments have declined by 5 per cent, driven by a decrease of 10 per cent at private providers.
- Growth in the five industries with the largest volumes of apprenticeship enrolments has slowed compared to 2017, broadly reflecting the moderating of overall growth in apprenticeships.
- The five industries with the largest volumes of government-funded enrolments make up 49 per cent of total enrolments, with Health Care and Social Assistance and Construction continuing to make up the largest share.

Table 5. Enrolments in Government priority areas by provider type

	Provider type	2016	2017	2018	% change 2017-18
NDIS	TAFE	7,241	9,011	10,540	17%
	Dual Sector	2,145	2,515	2,887	15%
	ACE	4,290	3,850	5,048	31%
	Private	18,307	13,005	13,003	0%
	All	31,983	28,381	31,478	11%
Family Violence	TAFE	4,379	5,701	6,681	17%
	Dual Sector	1,783	1,928	2,284	18%
	ACE	1,780	1,757	2,154	23%
	Private	5,044	4,251	4,517	6%
	All	12,986	13,637	15,636	15%
Infrastructure	TAFE	22,279	22,414	22,944	2%
	Dual Sector	7,848	8,384	8,956	7%
	ACE	-	-	-	-
	Private	23,313	18,331	16,803	-8%
	All	53,440	49,129	48,703	-1%
High-Value Traineeships	TAFE	1,105	1,668	1,952	17%
	Dual Sector	19	27	82	204%
	ACE	563	557	671	20%
	Private	5,560	4,958	4,453	-10%
	All	7,247	7,210	7,158	-1%
Apprentices	TAFE	24,032	26,767	28,903	8%
	Dual Sector	6,562	6,955	7,485	8%
	ACE	81	98	158	61%
	Private	12,144	12,382	11,660	-6%
	All	42,819	46,202	48,206	4%
At least one priority area	TAFE	43,517	47,068	49,546	5%
	Dual Sector	12,923	13,735	14,736	7%
	ACE	5,224	4,906	6,493	32%
	Private	53,100	41,523	39,135	-6%
	All	114,764	107,232	109,910	2%

Source: DET training market data. The priority areas are not mutually exclusive. NDIS, Family Violence and High-Value Traineeship courses are defined in the *2018 Funded Courses List*, and Infrastructure courses in the *Jobs and Training Needs Reports*. Equivalent superseded courses are also included.

Table 6. Top 5 industries for apprentice enrolments

	2016	2017	2018	% change 2017-2018
Construction	24,598	27,222	29,562	9%
Other Services	7,273	8,011	8,048	0.5%
Manufacturing	4,215	4,252	4,289	1%
Accommodation and Food Services	3,056	2,918	2,652	-9%
Retail Trade	1,752	1,960	1,900	-3%

Source: DET training market data.

Table 7. Traineeship enrolments by provider type

Provider type	2016	2017	2018	% change 2017-18
TAFE	4,312	5,366	5,663	5.5%
Dual Sector	433	424	462	9.0%
ACE	1,242	1,276	1,279	0.2%
Private	16,511	12,843	11,496	-10.5%
All	22,498	19,909	18,900	-5.1%

Source: DET training market data.

Table 8. Enrolments by broad industry area – top 5

	Enrolments				2016 VET employment share
	2016	2017	2018	2018 share	
Health Care and Social Assistance	76,787	68,016	62,565	20%	14%
Construction	57,247	52,738	50,760	16%	15%
Other Services*	19,725	17,524	15,523	5%	6%
Manufacturing	21,273	16,478	13,113	4%	9%
Professional, Scientific and Technical Services	13,723	12,437	12,094	4%	5%

Source: DET training market data and ABS Census data. Training data includes Certificate II and above qualifications only, and excludes qualifications that are not aligned to industry. ABS Census data includes people with a highest prior qualification at the Certificate, Diploma or Advanced Diploma level.

*The Other Services industry includes a broad range of personal services; religious, civic, professional and other interest group services; selected repair and maintenance activities; and private households employing staff.

EQUITABLE ACCESS

- *Skills First* aims to create an inclusive training system that ensures all Victorians have access to high quality training that leads to strong job outcomes, regardless of age, background, circumstance or postcode.
- In the context of the smaller, more stable government-funded training market, representation of key cohorts remains strong. For example, Table 9 shows that 13 per cent of government-funded enrolments in Victoria are from students with a disability, and 25 per cent of enrolments are from students who are unemployed.
- The TAFE Network plays an important part in helping our most disadvantaged and/or disengaged students to access and stay connected with training. Table 9 also shows that the TAFE Network accounted for 30 per cent of enrolments from students with a disability and 47 per cent of enrolments from Indigenous people in 2018.
- The Adult and Community Education (ACE) sector continues to lead in providing training to learners facing barriers to engagement in education, training and employment. ACE providers primarily deliver pre-accredited and foundation training across Victoria and in 2018 delivered almost 39 per cent of all foundation training enrolments.

Table 9. Key cohorts, 2018

Cohort	All providers		TAFE Network % of total cohort
	Enrolments	% of total enrolments	
People with a disability	39,387	13%	30%
Indigenous people	5,907	2%	47%
People with no prior Certificate III (20 to 64)	158,930	50%	41%
Early School Leavers (15 to 19)	22,218	7%	68%
Unemployed people	78,553	25%	29%
Culturally and Linguistically Diverse (CALD) people	108,765	35%	31%

Source: DET training market data. The cohorts are not mutually exclusive. Students may be represented in more than one key cohort (for example, students may have no prior Certificate III and have a disability). Culturally and Linguistically Diverse (CALD) people speak a language other than English at home, or have a non-English speaking country of birth.

Table 10. Foundation enrolments by provider type

Provider type	2016	2017	2018
TAFE	9,508	10,768	9,646
Dual Sector	2,609	3,015	3,352
ACE	11,210	11,733	10,148
Private	7,842	4,882	3,078
All	31,169	30,398	26,224

Source: DET training market data.



NOTES ON THE DATA

DATA SOURCE

The main source of VET data in this report is DET's training activity database referred to as the Skills Victoria Training System (SVTS). This administrative data is reported to DET by government funded training providers.

SVTS data included in this report may differ to previous publications as classifications are updated from time to time to improve data quality and consistency across years. In addition, changes to reporting and data standards may lead to minor revisions to data previously reported.

SVTS data presented in this report is not comparable to other publicly available data such as:

- National Centre for Vocational Education Research (NCVER) data – the information reported by NCVER is sourced from data submitted by all states and territories. While the NCVER data for Victoria is sourced from data submitted by the Victorian Department of Education and Training, due to statistical and counting rules there will be marginal differences between Departmental data and NCVER data.
- Budget Paper No. 3 (Chapter 2 - Department performance statements) because of differences in counting rules and definitions.

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

The report also draws on publicly available data on the VET system from NCVER (which allows for inter jurisdictional comparisons) and data from the Australian Bureau of Statistics.

DATA SCOPE

This report covers government-funded training activity only. Training activity for the full year 2018 is compared with the same period in 2016 and 2017 to provide a picture of changes and trends over time. Note that duplication of the NCVER student data has been removed from 2015 onwards, impacting on the comparability of data to that reported in the Training Market Snapshot 2017.

LEARN LOCAL AND ADULT AND COMMUNITY EDUCATION (ACE)

The Training Market Report generally classifies providers as TAFE, Dual Sector, Adult and Community Education (ACE) or private. However, some data sources use a slightly different definition – Learn Local – rather than ACE. Only Learn Local organisations report activity through to the Adult, Community and Further Education Board, while ACE organisations are self-identified and are not required to do so. Some Learn Local organisations self identify as private RTOs and are therefore not included in the ACE definition.

INDUSTRY CLASSIFICATIONS

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

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

FOUNDATION COURSES

Foundation courses are identified as set out in the *Guidelines about Determining Student Eligibility and Supporting Evidence* for the relevant reporting period (the 2019 Guidelines are available at: https://www.education.vic.gov.au/Documents/training/providers/rto/2019_FINAL_Eligibility_v1.pdf).

REGIONAL ANALYSIS

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