
4 Vocational education and training

This chapter focuses on performance information — equity, effectiveness and efficiency — for government funded vocational education and training (VET) in Australia in 2005. The VET system delivers employment related skills across a wide range of vocations. It provides Australians with the skills to enter or re-enter the labour force, retrain for a new job or upgrade skills for an existing job. The VET system includes government and privately funded VET delivered through a number of methods by a wide range of training institutions and enterprises.

VET services delivered by providers receiving government funding allocations, which relate directly to training activity funded under the Commonwealth–State Training Funding Agreement, are reported in this chapter. These VET services include the provision of vocational programs of study in government owned technical and further education (TAFE) institutes and universities with TAFE divisions, other government and community institutions, and government funded activity by private registered training organisations (RTOs). The scope of this chapter does not extend to VET services provided in schools (which are within the scope of chapter 3) or university education.

This year, the chapter has been enhanced by:

- reporting on employer outcomes
- replacing the Rural, Remote and Metropolitan Area (RRMA) classification system used for target group indicators with the Accessibility and Remoteness Index of Australia (ARIA) classifications currently used by the Australian Bureau of Statistics (ABS)
- reporting annual growth in skill outputs from VET
- reporting on a broadened Student Outcomes Survey to include data on total VET providers, capturing government funded students (TAFE, private and community education providers), as well as those training on a fee-for-service basis (TAFE and some private and community education providers).

Section 4.1 contains a profile of the VET sector in Australia, and provides the context for assessing performance indicators in the subsequent sections. Section 4.2 describes the framework of performance indicators for VET, and section 4.3 presents and discusses the available data relating to this framework. In

section 4.4, future directions in the development and reporting of performance indicators for VET are discussed. The chapter concludes with jurisdictions' comments in section 4.5, definitions of key terms and indicators in section 4.6, a list of supporting tables in section 4.7 and a list of references in section 4.8. Supporting tables are identified in references throughout this chapter by an 'A' suffix (for example, table 4A.4 is table 4 in the attachment).

4.1 Profile of vocational education and training

Service overview

The VET system involves the interaction of students, employers, the Australian, State, Territory and local governments (as both purchasers and providers), and an increasing number of private and community RTOs. The students access a diverse range of programs and qualification levels, with course durations varying from a module or unit of competency (a stand-alone course component or subject) of a few hours to full courses of up to four years (box 4.1).

Box 4.1 Diversity of the VET system

VET programs range from a single module or unit of competency (which can involve fewer than 10 contact hours) to advanced diplomas (which can involve up to four years of study). All training in the VET system need to be assessed because many students complete modules or units of competency without intending to complete a course.

The types of training range from formal classroom learning to workplace-based learning and may include flexible, self-paced learning and/or online training, often in combination. The availability of distance education has increased, with off-campus options such as correspondence, Internet study and interactive teleconferencing.

The types of training organisation include institutions specialising in VET delivery, such as government owned TAFE institutes, agricultural colleges and private training businesses; adult community education (ACE) providers; secondary schools and colleges; universities; industry and community bodies with a RTO arm; and businesses, organisations and government agencies that have RTO status to train their own staff. Group Training Organisations are RTOs and some RTOs may also be New Apprenticeship Centres (now referred to as Australian Apprenticeship Centres). Schools and universities provide dual award courses that combine traditional studies with VET, with an award from both the VET provider and the secondary school or university. In addition to formal VET delivered by an RTO, many people undertake on-the-job training in the workplace or attend training courses that do not lead to a recognised VET qualification.

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Box 4.1 (Continued)

Data on student participation, efficiency measures, student achievement, qualifications completed and competencies/modules completed presented in this Report are limited to services that receive Government Agreement funding (that is, recurrently funded by Australian, State and Territory governments). These include VET services provided by:

- TAFE and other government providers, including multisector higher education institutions
- registered community providers and registered private providers (including fee-for-service programs of ACE providers).

Data on student outcomes, student satisfaction and employer outcomes includes information on VET activity and includes training from the following funding sources:

- Government Agreement
- government specific purpose outside the Government Agreement
- domestic and international fee-for-service (TAFE only).

The discussion of student outcomes and student satisfaction in the chapter focuses on students undertaking government funded TAFE activity. Additional data relating to total VET providers are available in the supporting tables.

The general roles of the VET system, and the main reasons that students participate in VET programs, are to:

- obtain a qualification to enter the labour force
- retrain or update labour force skills
- develop skills, including general education skills such as literacy and numeracy, that enhance students' ability to enter the labour force
- provide a pathway to further tertiary education, including entrance to higher education.

Government funding

Recurrent expenditure on VET by Australian, State and Territory governments totalled \$4.1 billion in 2005 — a real increase of 2.2 per cent from 2004 (table 4A.1). Government recurrent expenditure was equal to \$300 per person aged 15–64 years across Australia in 2005 (table 4A.2).

Size and scope

The VET sector is large and varied. In 2005, 33.7 per cent of Australians aged 15–64 years held a VET qualification (DEST 2006). VET qualifications can vary significantly by length, level and field.

Students

Approximately 1.6 million people participated in VET programs across Australia in 2005. The total number of VET students increased by 2.9 per cent between 2004 and 2005, and decreased by 2.3 per cent between 2001 and 2005. Of the total VET students in 2005, 1.2 million (70.8 per cent of total VET students) participated in VET programs that were funded by government recurrent expenditure through State and Territory agencies (DEST 2006, tables 4A.3-4). The number of government recurrent funded VET students declined by 6.5 per cent between 2001 and 2005, although the number of government recurrent funded curriculum hours increased by 1.5 per cent over the same period (implying that a smaller number of students were studying more hours on average). In addition, a small number of VET students (45 200, or 2.8 per cent of all VET students in 2005) were funded through specific purpose government programs (DEST 2006).

The remaining 434 100 VET students in 2005 participated on a fee-for-service basis as domestic students (25.1 per cent of all VET students) or international students (1.3 per cent of all VET students). The proportion of domestic fee-for-service students increased from 21.7 per cent of all VET students in 2001 to 25.1 per cent in 2005 (DEST 2006). Of the 1.2 million government funded VET students who participated in government funded VET programs in 2005, 3.9 per cent or 45 800 gained some sort of recognition of prior learning (RPL) (table 4A.4).

VET student participation data presented in this Report refers only to VET students who were funded by government recurrent expenditure and delivered by TAFE and other government providers (including multisector higher education institutions), registered community providers and registered private providers. They do not include students who participated in VET programs in schools or undertook ‘recreation, leisure or personal enrichment’ education programs (DEST 2006).

Hours

Government funded VET students participated in 286.6 million government funded adjusted curriculum hours in 2005. The average number of hours delivered per government funded VET student in 2005 was 246.7 (table 4A.4).

Courses

VET qualifications range from non-award courses to certificates (levels I–IV), diplomas and advanced diplomas. In 2005, 12.5 per cent of government funded VET students were undertaking a diploma or advanced diploma, 44.7 per cent were enrolled in a certificate level III or IV, 23.2 per cent were enrolled in a certificate level I or II or lower, and 19.6 per cent were enrolled in a course that did not lead directly to a qualification (DEST 2006).

Fields of study also varied greatly. In 2005, 25.8 per cent of units of competency or modules completed by government funded VET students were in management and commerce, 17.6 per cent were in engineering and related technologies, 14.2 per cent were in mixed field programs, 9.8 per cent were in health, 8.6 per cent were in society and culture and 6.5 per cent were in architecture and building. Other fields studied by government funded VET students included agriculture, environment and related studies, information technology, education, creative arts, food, hospitality and personal services, and natural and physical sciences (DEST 2006).

Institutions

In 2005, VET programs were delivered at 9698 locations across Australia (NCVER 2006b). Government funded programs were delivered at 8842 locations (that is, TAFE, government funded locations and the locations of all other registered training providers, including private providers that receive government recurrent funding for VET delivery). Of these locations, 1129 were TAFE and other government provider locations (tables 4A.3-4).

The infrastructure (noncurrent physical assets) of government owned TAFE institutions and TAFE divisions of universities was valued at \$7.0 billion in 2005, of which 94.6 per cent comprised the value of land and buildings (table 4A.16). The value of net assets of government VET providers was \$527.50 per person aged 15–64 years across Australia in 2005. Asset values varied across jurisdictions (table 4A.5).

Roles and responsibilities in 2005

The Australian National Training Authority (ANTA) was abolished from July 2005 and its responsibilities taken into the Department of Education, Science and Training (DEST). A Ministerial Council on Vocational and Technical Education (MCVTE) was established in the second half of 2005 to ensure continued

harmonisation of a national system of standards, assessment and accreditation, with goals agreed in a Commonwealth–State Training Funding Agreement.

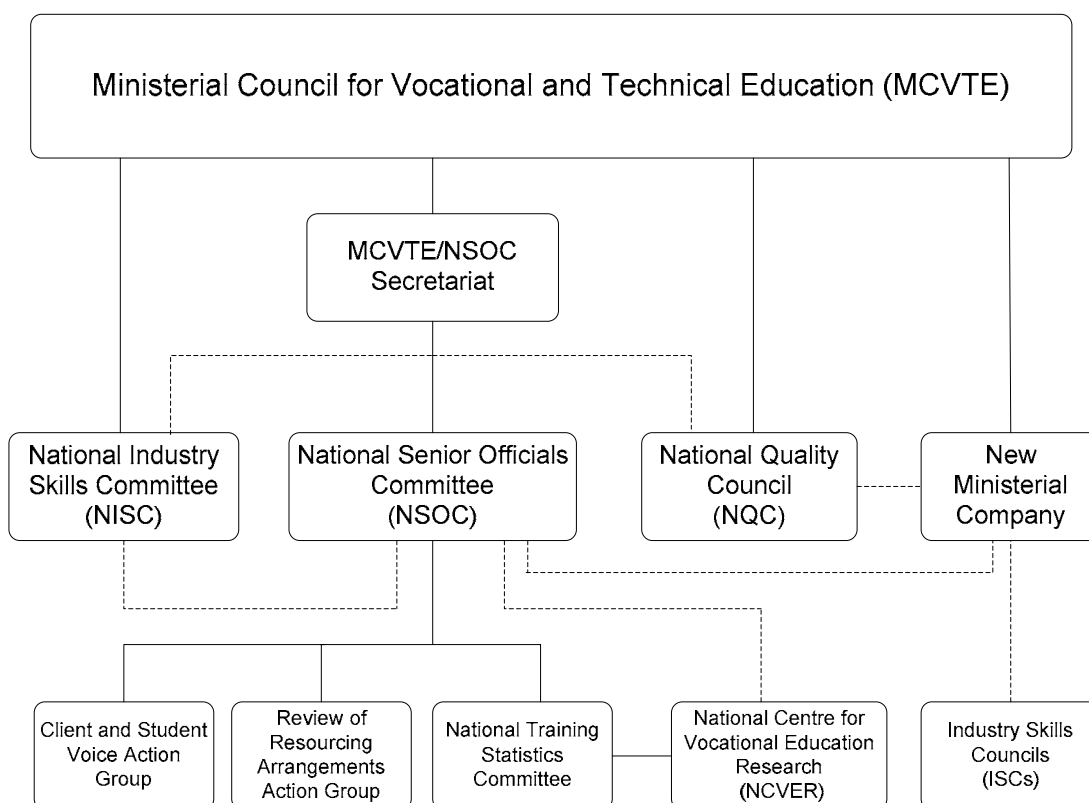
The Commonwealth–State Agreement for Skilling Australia’s Workforce was established in 2005 to run from 1 July 2005 to 31 December 2008. Australian and State/Territory government ministers through MCVTE will provide direction on national policy, strategy, priorities, goals and objectives, in partnership with industry, private and public training providers. Industry advice is provided to the MCVTE through the National Industry Skills Committee (figure 4.1).

National industry training advisory arrangements in 2005

One of the guiding principles for the new training system is that industry and business need to drive training priorities and delivery. Industry Skills Councils were identified as part of the National Skills Framework agreed by the MCVTE. Industry Skills Councils were created to develop and maintain Training Packages and related products and services and provide advice on current and future industry skills and training needs to industry stakeholders, training providers and government.

Since the 2003 decision to establish ten Industry Skills Councils, these organisations have progressively replaced the former industry training advisory bodies (ITABs). The first of the Industry Skills Councils was declared on 30 September 2003, with nine of the ten being declared by the end of 2004. The final industry skills council was declared on 23 May 2005.

Figure 4.1 Policy advice and decision making within the VET system from July 2005



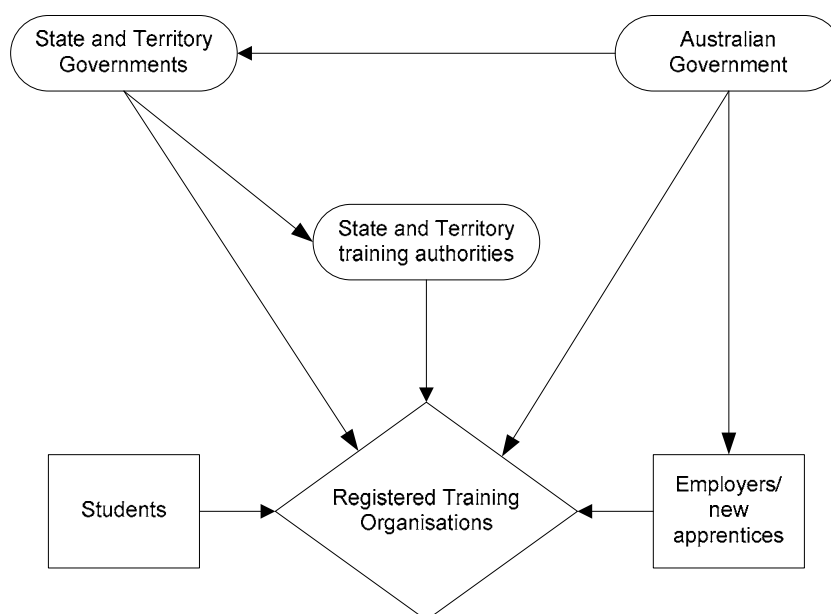
^a Solid lines indicate direct reporting and dotted lines indicate key relationships.

VET funding flows

State and Territory governments provide funding for VET services through the State and Territory training authorities. They provided \$2.8 billion in 2005 — 74.6 per cent of government recurrent funding. The Australian Government provided the remainder of government recurrent funding (NCVER unpublished). In 2005, Australian Government funding of VET services was administered and allocated to the State and Territory training authorities by DEST, through ANTA to 30 June and then directly from 1 July.

RTOs also receive revenue from individuals and organisations for fee-for-service programs, ancillary trading revenue, other operating revenue and revenue from Australian, State and Territory government specific purpose funds (figure 4.2). The Australian Government also provides funding for New Apprenticeship Centres and employer incentives for apprenticeships/traineeships (now referred to as Australian Apprenticeships).

Figure 4.2 Funding flows within the VET system



Allocation of VET funding

The bulk of government VET funds are allocated to government VET providers based on the planned activity set by State and Territory training authorities. The disbursement of a component of VET funding on a competitive basis was introduced in the early 1990s to allocate a component of additional Australian Government funds to government providers and private providers. Processes used to allocate funds on a competitive basis include:

- *competitive tendering*, whereby government and private RTOs compete for funding contracts from State and Territory training authorities in response to government offers (tenders)
- *user choice*, whereby the employer and apprentice/trainee choose a registered training provider and negotiate key aspects of their training, and then government funds flow to that provider
- *preferred supplier arrangements*, (an extension of competitive tendering), whereby a contract is awarded to providers (chosen by the tender process) to provide training on a longer term basis.

An estimated \$719.0 million of government VET funding was allocated on a competitive basis in 2005 (including user choice arrangements) — 1.8 per cent less in real terms than in 2004 (table 4A.7). The degree of competition in the tendering process varies across jurisdictions. Some tenders can be contested by both government providers and private RTOs (open competitive tendering), while some

tenders are restricted to either government providers or private RTOs (limited competitive tendering).

Similarly, the scope for competition, in terms of the size of the market of potential providers, varies across jurisdictions. TAFE institutes and universities with TAFE divisions may be subject to factors that affect their ability to compete effectively for funding allocated by competitive tendering. The House of Representatives Standing Committee on Employment, Education and Training (HRSCEET) found a number of factors impede the competitive position of TAFE institutes (HRSCEET 1998).

4.2 Framework of performance indicators

This chapter provides information on the equity, efficiency and effectiveness of government funded VET services. The performance indicator framework is developed around the VET objectives established under the national strategy for 2004–10 (box 4.2). For example, ‘VET participation by target group’ is a measure of equitable access to VET, ‘student employment and further study outcomes’ is a measure of the effect of VET on equipping Australians for participation in the workforce, and ‘government recurrent expenditure per adjusted annual curriculum hour’ is an indicator of the extent to which the value of government VET expenditure is maximised.

Box 4.2 Objectives for VET, 2004–10

The objectives established in *Shaping our Future, Australia’s National Strategy for Vocational Education and Training 2004–2010* are:

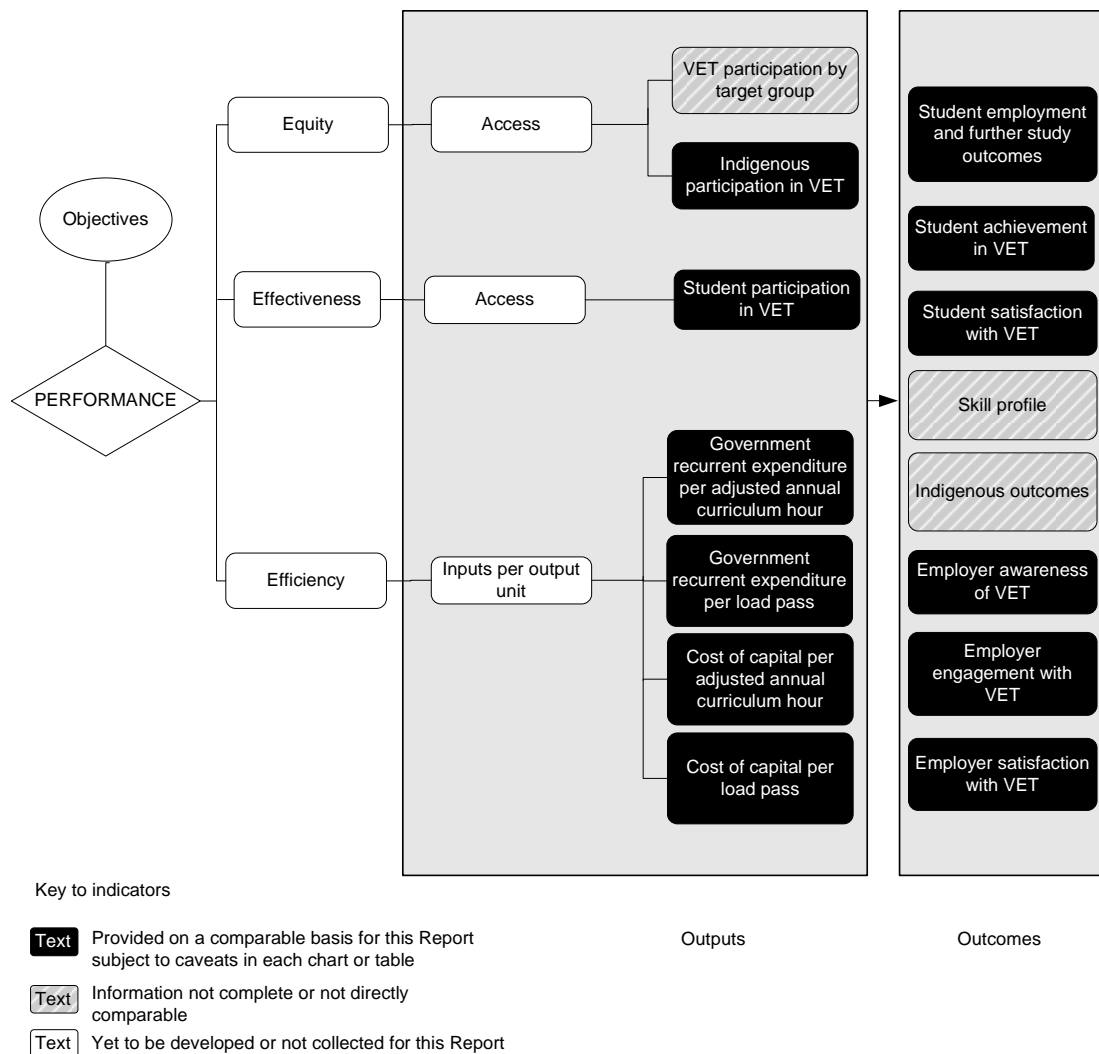
- industry will have a highly skilled workforce to support strong performance in the global economy
- employers and individuals will be at the centre of vocational education and training
- communities and regions will be strengthened economically and socially through learning and employment
- Indigenous Australians will have skills for viable jobs and their learning culture will be shared.

Source: ANTA (2004); DEST (2006).

The performance indicator framework (figure 4.3) distinguishes the outputs and outcomes of VET services, and shows which data are comparable in the 2007 Report. For data that are not directly comparable, the text includes relevant

caveats and supporting commentary. Chapter 1 discusses data comparability from a Report-wide perspective.

Figure 4.3 Performance indicators for VET services



4.3 Key performance indicator results

The equity, effectiveness and efficiency of VET services may be affected by different delivery environments, locations and types of client. Appendix A contains detailed statistics and short profiles on each State and Territory, which may help in interpreting the performance indicators presented in this chapter.

Outputs

Equity

A key national goal of the VET system is to increase opportunities and outcomes for disadvantaged groups. The designated equity groups are females, residents of remote and very remote areas, Indigenous people, people with a disability and people speaking a language other than English at home. This section includes indicators of access to VET by these target groups in 2005.

VET participation by target group

‘VET participation by target group’ is an output indicator of the equitable access to VET services (box 4.3).

Box 4.3 VET participation by target group

‘VET participation by target group’ is an output indicator of access to the VET system by the target groups (females, residents of remote and very remote areas, people with a disability, and people speaking a language other than English at home), compared with that of the general population, and reflects performance against the objective of achieving equitable outcomes in VET.

‘VET participation by target group’ is defined as the number of government funded participants in the VET system who self-identified that they are from a target group, as a proportion of the total number of people in the population in that group aged 15–64 years.

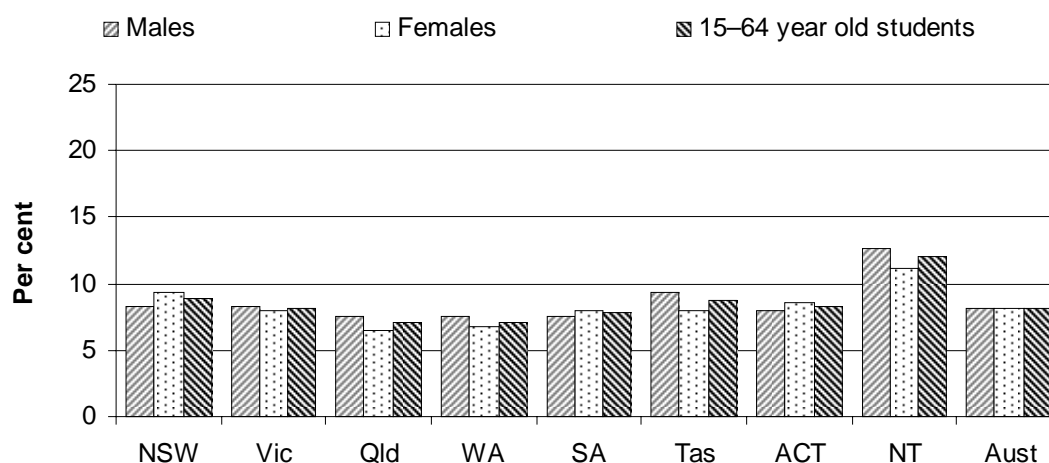
It is desirable that ‘VET participation by target group’ is comparable to that for all students. A lower participation rate means the target group is under-represented in VET; a higher participation rate means the group is over-represented in VET.

Care needs to be taken in interpreting the participation rates presented for people with a disability and people speaking a language other than English at home because (1) the data depend on self-identification at the time of enrolment, (2) the number of non-responses (that is, students who did not indicate whether they belong to these groups) varies across jurisdictions, and (3) appropriate denominators were not available to calculate the participation rate of students reporting a disability or people speaking a language other than English at home. Data are for government funded VET students.

VET participation by target group — females

In recent years, the national VET participation rate was the same for both females and males (8.1 per cent in 2005 and 7.9 per cent in 2004) (figure 4.4, table 4A.9).

Figure 4.4 **VET participation rate for people aged 15–64 years, by sex, 2005^{a, b}**



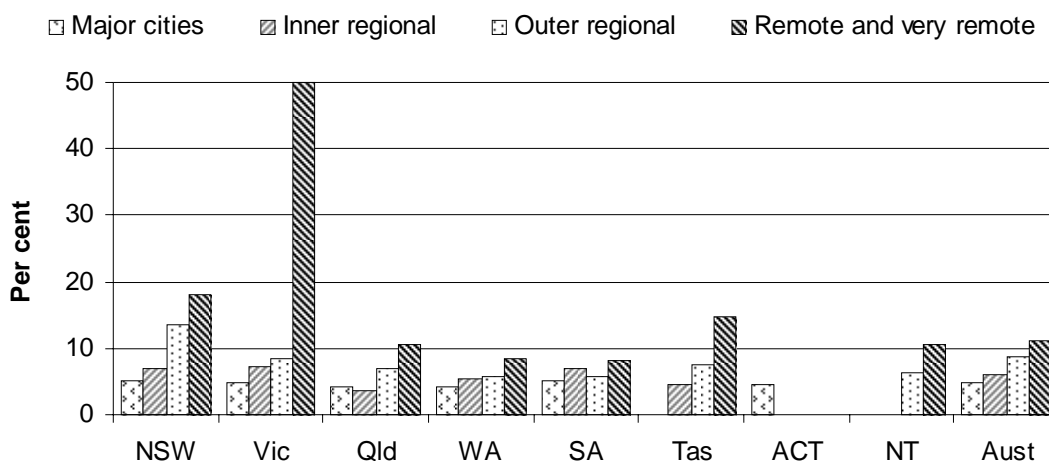
^a Data on participation are limited to students who have participated in Australia's government funded VET system. ^b The participation rate is the number of 15–64 year old students participating in VET expressed as a proportion of the population aged 15–64 years.

Source: ABS 2006, Australian Demographic Statistics (unpublished); NCVET AVETMISS collection (unpublished); table 4A.9.

VET participation by target group — people from remote and very remote areas

Nationally, the VET participation rate in 2005 was higher for people from remote and very remote areas (11.1 per cent) than for people from other geographic regions (8.7 for outer regional areas, 6.1 for inner regional areas and 4.8 for major cities) (figure 4.5). VET student data by region are based on students' home postcode using the ARIA classification system currently used by the ABS. This is a change in classification from previous Reports using the RRMA classification of regions (which includes the categories: capital city, other metropolitan, rural, remote, interstate and overseas). Employment opportunities and the availability of alternative education services in regional and remote areas may affect the level of VET participation in these areas.

Figure 4.5 **VET participation rate for people of all ages, by region, 2005^{a, b, c}**



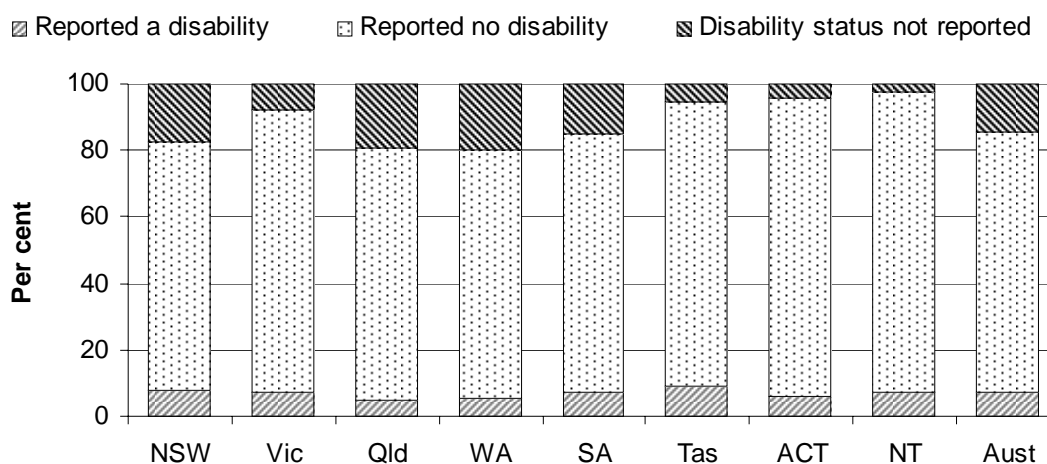
^a Data on participation are limited to students who have participated in Australia's government funded VET system. ^b The participation rate for students from the various regions is the number of students participating in VET in the specified region expressed as a proportion of the population that resides in that region. ^c There are no very remote areas in Victoria. Remote data for Victoria should be used with caution due to the sharing of postcodes with NSW that cannot be disaggregated. There are no major cities in Tasmania. There are no outer regional areas, remote areas or very remote areas in the ACT. Data for the ACT inner regional areas are not published due to a high proportion of inner regional areas sharing postcodes with NSW that cannot be disaggregated, but are included in the Australia totals. There are no major cities or inner regional areas in the NT.

Source: ABS 2006, Australian Demographic Statistics (unpublished) (table AA.6); NCVET AVETMISS collection (unpublished); table 4A.10.

VET participation by target group — people with a disability

Nationally, 7.0 per cent of government funded VET students in 2005 reported having a disability, impairment or long term condition (figure 4.6). Based on 2003 ABS data, an estimated 16.8 per cent of all 15–64 year olds in the population and 19.9 per cent of the total population reported having a disability (derived from ABS [2004a] and ABS Australian Demographic Statistics [unpublished]). The proportion of VET students reporting a disability is not directly comparable with the proportion of the population reporting a disability, as the classifications of disabilities are not consistent.

Figure 4.6 VET students, by disability status, 2005^{a, b}



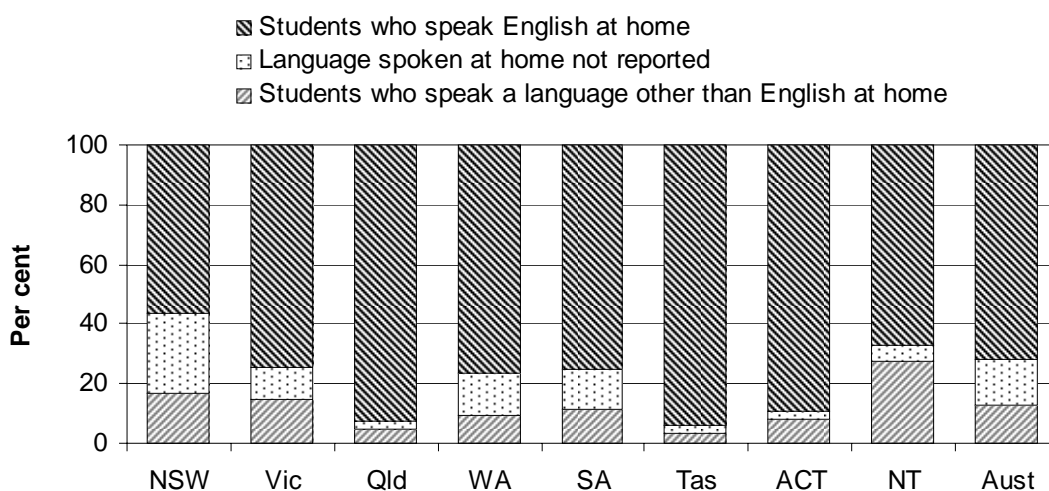
^a Data on participation are limited to students who have participated in Australia's government funded VET system. ^b Students reported as having a disability are defined as those who self-identify on enrolment forms that they have a disability, impairment or long-term condition and are not adjusted for status not identified. Disabilities include hearing/deaf, physical, intellectual, learning, mental illness, acquired brain impairment, vision, medical condition and other unspecified disabilities.

Source: NCVET AVETMISS collection (unpublished); table 4A.11.

VET participation by target group — students speaking a language other than English at home

In 2005, 12.9 per cent of government funded VET students reported speaking a language other than English at home (figure 4.7). By comparison, 15.2 per cent of the total population of Australia spoke a language other than English at home in 2001. Nationally, the proportion of VET students who reported speaking a language other than English at home in 2005 was lower than the equivalent proportion in the total population (table 4A.12).

Figure 4.7 VET students, by language spoken at home, 2005^a



^a Data on participation are limited to students who have participated in Australia's government funded VET system.

Source: NCVET AVETMISS collection (unpublished); table 4A.12.

Indigenous participation in VET

'Indigenous participation in VET' is an output indicator of equitable access to VET services (box 4.4).

Box 4.4 Indigenous participation in VET

'Indigenous participation in VET' is an output indicator of Indigenous people's access to the VET system.

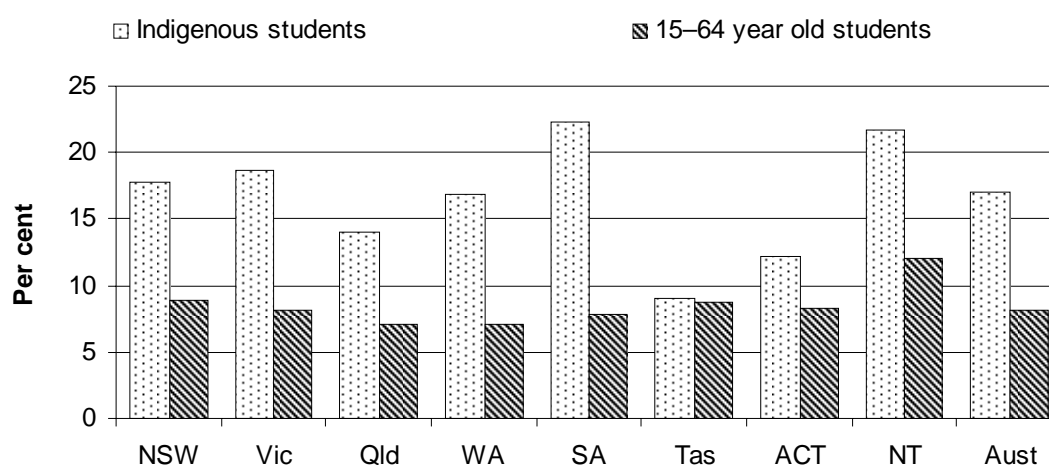
'Indigenous participation in VET' is defined as the number of all government funded participants in the VET system who self-identified that they are from an Indigenous group, as a proportion of the total number of people in the population in that group aged 15–64 years.

A lower participation rate means the group is under-represented in VET; a higher participation rate means the group is over-represented in VET.

Care needs to be taken in interpreting the participation rates presented for Indigenous people because (1) the data depend on self-identification at the time of enrolment, and (2) the number of non-responses (that is, students who did not indicate whether they belong to this group) varies across jurisdictions. Data are for government funded VET students.

Nationally, the VET participation rate for all Indigenous students (the number of all Indigenous students as a percentage of Indigenous people aged 15–64) was 17.1 per cent. Although not directly comparable, the participation rate for 15–64 year old students (the number of 15–64 year old students as a percentage of the 15–64 year old population) was 8.1 per cent (figure 4.8). These student participation data are not age standardised, so the younger age profile of the Indigenous population relative to all Australians is likely to affect the results.

Figure 4.8 VET participation rate, by Indigenous status, 2005^{a, b, c}

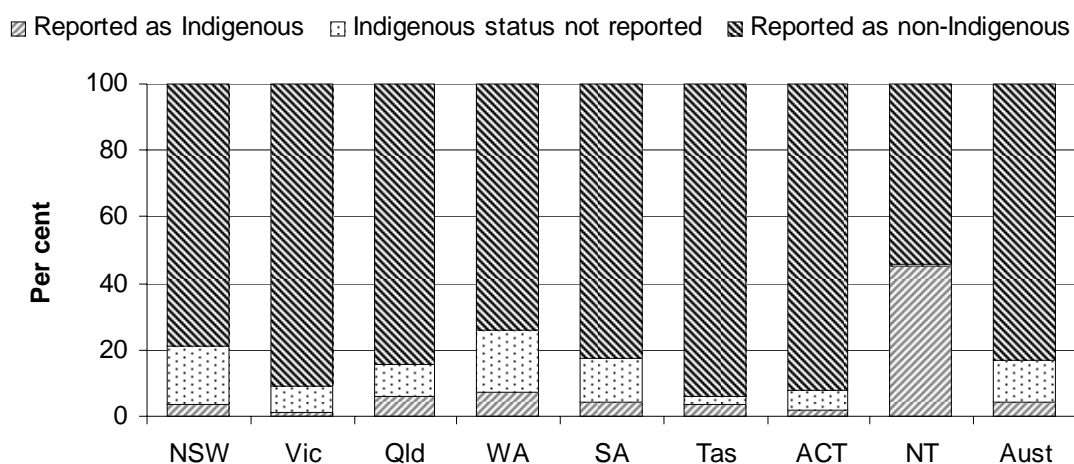


^a Government recurrent funded VET students of all ages. ^b The Indigenous participation rate is the number of students of all ages who reported being Indigenous as a percentage of the experimental estimates of Indigenous people aged 15–64 years for 30 June 2005 (ABS 2004b, [30 June 1991 to 30 June 2009]); low projection series, tables 25–34, pp. 53–62). The Indigenous participation rate in the 2005 Report and in other VET publications was based on the number of students who reported being Indigenous as a percentage of the total Indigenous population from the ABS experimental projection of all Indigenous people. ^c Care needs to be taken in interpreting these data because the Indigenous population’s age profile is younger than that of the non-Indigenous population. Participation rates for all ages are likely to differ from participation rates for working age populations.

Source: ABS (2004b); ABS Australian Demographics Statistics (unpublished); NCVET AVETMISS collection (unpublished); table 4A.13.

In 2005, 4.3 per cent of government funded VET students in Australia identified themselves as Indigenous, while 12.8 per cent of students did not report their Indigenous status (figure 4.9). The proportion of government funded VET students who identified as Indigenous was higher than the proportion of Indigenous people in the total population nationally (2.4 per cent) (table 4A.13).

Figure 4.9 VET students, all ages, by Indigenous status, 2005^{a, b}



^a Government recurrent funded VET students. ^b Students reported as Indigenous and are not adjusted for status not identified.

Source: NCVET AVETMISS collection (unpublished); table 4A.13.

Effectiveness

Student participation in VET

‘Student participation in VET’ by target age group (people aged 15–64 years) is an output indicator of the effectiveness of VET services (box 4.5).

Box 4.5 Student participation in VET

‘Student participation in VET’ is an output indicator of the level of access for people aged 15–64 years to the VET system. It reflects the performance of the VET system against the objective of enhancing mobility in the labour market.

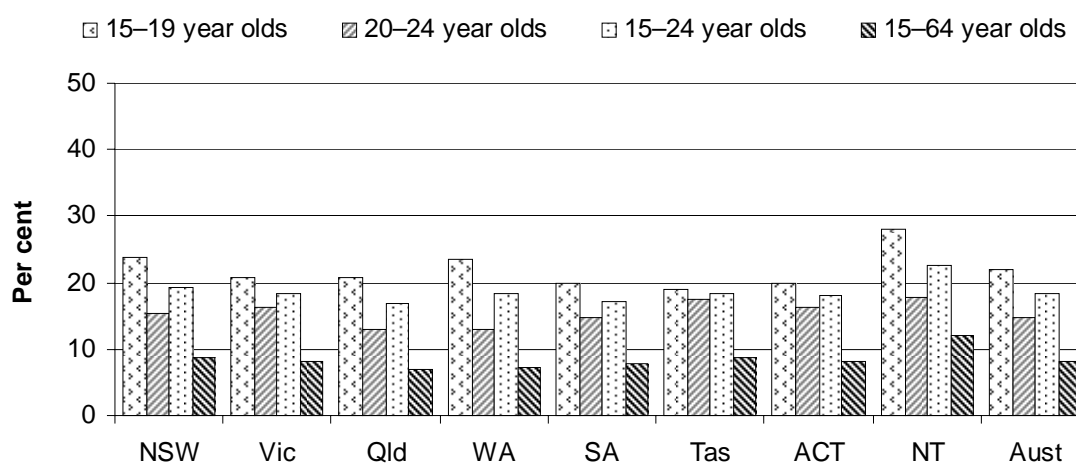
‘Student participation in VET’ is defined as the number of 15–64 year olds participating in VET expressed as a proportion of the population aged 15–64 years.

High VET participation rates indicate high levels of access to the VET system by the general population.

Data are for government funded VET students.

In 2005, 1.1 million people aged 15–64 years participated in government funded VET programs (table 4A.8). This included 305 200 people aged 15–19 years and 212 700 people aged 20–24 years. These student numbers were equivalent to national participation rates of 22.0 per cent for people aged 15–19 years, 14.9 per cent for people aged 20–24 years and 8.1 per cent for people aged 15–64 years (figure 4.10).

Figure 4.10 VET participation rates, by target age groups, 2005^a



^a Government recurrent funded VET students.

Source: ABS 2006, Australian Demographics Statistics (unpublished); NCVET AVETMISS collection (unpublished); table 4A.8.

Efficiency

A suite of key performance measures has been agreed for the life of the 2004–10 national strategy, this includes measuring how efficiently funding for VET is translated into skills (DEST 2006). An indicator of efficiency is the level of government inputs per unit of output (unit cost). The indicator of unit cost reported here is ‘recurrent expenditure per adjusted annual curriculum hour’.

The Steering Committee has identified issues that may reduce the comparability of cost estimates across jurisdictions in VET (boxes 4.6 and 4.7). To promote accuracy and comparability of reported efficiency measures some adjustments are made to improve the data (box 4.6).

Box 4.6 Comparability of cost estimates

Government recurrent expenditure is calculated using data prepared by states and territories under the Australian Vocational Education and Training Management Information Statistical Standard (AVETMISS) for VET financial data. These data are prepared annually on an accrual basis and are audited. Supplementary information is also provided by DEST. Certain line items from AVETMISS have been excluded from expenditure data such as fee-for-service revenue, ancillary trading revenue, gains on sale of property, plant and equipment, other operating revenues and revenues from specific purpose government funds.

To promote comparability of the financial data between states and territories, as well as comparability between the financial and activity data, expenditure is adjusted by course mix weights to recognise the different proportions of relatively more expensive and less expensive training programs that occur in jurisdictions. Expenditure data for 2001–04 are adjusted to real dollars (2005 dollars) using the gross domestic product (GDP) chain price index.

Reported hours are adjusted for invalid enrolment rates based on formal advice of the National Centre for Vocational Education Research (NCVER) auditors. Invalid enrolments are those student enrolments reported in the national collection as participating in a module or unit of competency but for which the auditors could find no confirmed evidence that the student had participated in that enrolment within the collection period.

Historical data presented on efficiency of VET services have been amended from the 2006 Report, to reflect significant changes to the calculation methodology introduced for the 2005 Commonwealth–State Training Funding Agreements. The changes relate to:

- the adoption of enrolment activity end date activity only, rather than the inclusion of hours for students who are continuing their studies
- acknowledgement of full hours for RPL, rather than a proportion
- application of actual activity hours to determine course mix weightings rather than planned activity hours.

In previous Reports, nominal hours were not calculated on an enrolment activity end date reporting and RPL was discounted on an agreed formula. As a result, care should be taken in making comparisons between data in the 2007 Report and previous Reports.

The Steering Committee has addressed issues to improve the comparability of efficiency indicators presented (box 4.7).

Box 4.7 Comparability of VET efficiency indicators

It is an objective of the Review to report comparable estimates of costs. Ideally, the range of costs to government is counted on a comparable basis. The Steering Committee has addressed four areas that could affect the comparability of costs across government and private providers.

- Superannuation costs are included in cost estimates for VET. Preferably, superannuation would be costed on an accrued actuarial basis (SCRCSSP 1998).
- Depreciation costs are included in cost estimates for all VET services.
- The user cost of capital is not included in estimates of recurrent expenditure, although it is reported separately as the 'cost of capital per adjusted annual curriculum hour' (box 4.10). The user cost of capital represents the opportunity cost to government of the funds tied up in VET assets. Including the user cost of capital from accrued costs in VET increases the costs per annual curriculum hour. Comparability can be improved by adding the reported user cost of capital to accrued costs if debt servicing costs and State- and Territory-based capital asset charges are deducted from accrual costs.
- Payroll tax is payable by all jurisdictions (except the ACT) for VET. A payroll tax estimate has been included in cost estimates for the ACT (SCRCSSP 1999).

Source: SCRCSSP (1998, 1999).

Government recurrent expenditure per adjusted annual curriculum hour

'Government recurrent expenditure per adjusted annual curriculum hour' is an output indicator of the efficiency of VET services (box 4.8).

Box 4.8 Government recurrent expenditure per adjusted annual curriculum hour

'Government recurrent expenditure per adjusted annual curriculum hour' is an output indicator of efficiency. It is the cost to government to deliver VET services per unit of output. Recurrent cost per adjusted annual curriculum hour of training measures the average cost of producing a training output of the VET system (a unit cost).

'Government recurrent expenditure per adjusted annual curriculum hour' of delivery is defined as total government recurrent expenditure (excluding capital costs) per total adjusted annual curriculum hour. Expenditure is adjusted for course mix differences across jurisdictions.

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Box 4.8 (Continued)

Low unit costs may indicate efficient delivery of VET services, but care needs to be taken in interpreting efficiency indicators because quality is not reflected in unit costs. Low unit costs may not necessarily reflect a lessening of quality.

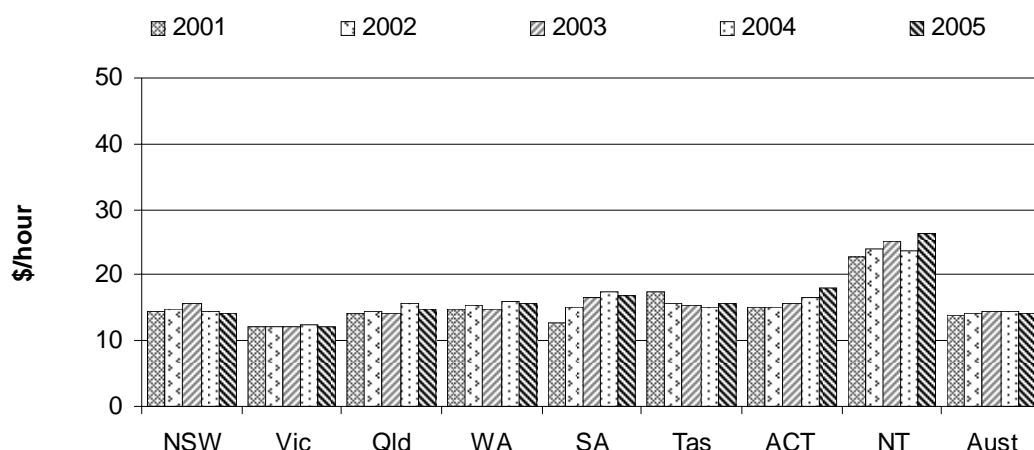
The factors that have the greatest impact on efficiency include:

- training related factors, such as class sizes, teaching salaries, teaching hours per full time equivalent staff member, and differences in the length of training programs
- differences among states and territories, including socio-demographic composition, administrative scale, course mix and dispersion, and scale of service delivery
- the industry mix in a jurisdiction and its effect on the nature of training required
- VET policies and practices, including the level of fees and charges paid by students.

Financial and activity data from states and territories are reported here within an agreed scope to ensure unit costs accurately reflect the relative efficiency of government service provision across jurisdictions. Data used to calculate unit cost are derived from data that comply with the AVETMISS.

Government recurrent expenditure per adjusted annual curriculum hour of government funded VET programs in 2005 was \$14.34 nationally. Government real recurrent expenditure per adjusted annual curriculum hour increased from \$13.88 in 2001 to \$14.34 in 2005 (figure 4.11).

Figure 4.11 Government real recurrent expenditure per adjusted annual curriculum hour (2005 dollars)^{a, b, c}



^a The ACT is the only jurisdiction not to levy payroll tax on its VET employees. A payroll tax estimate based on the ACT payroll tax rate has been included in the expenditure data for the ACT. ^b Data for Australia exclude the ACT payroll tax estimate. ^c Data for 2001–04 have been adjusted to 2005 dollars using the GDP chain price index.

Source: DEST (2006); NCVET AVETMISS collection (unpublished); table 4A.14.

Government recurrent expenditure per load pass

‘Government recurrent expenditure per load pass’ is an output indicator of the efficiency of VET services (box 4.9).

Box 4.9 Government recurrent expenditure per load pass

‘Government recurrent expenditure per load pass’ is an output indicator of the cost to government of each successfully completed VET module or unit of competency (that is, the cost per successfully achieved output).

‘Government recurrent expenditure per load pass’ is defined as the total government recurrent expenditure divided by the number of hours successfully completed from assessable modules or units of competency. ‘Load pass’ is based on assessable enrolments of modules and units of competency achieved/passed and RPL, it does not include non-assessable enrolments.

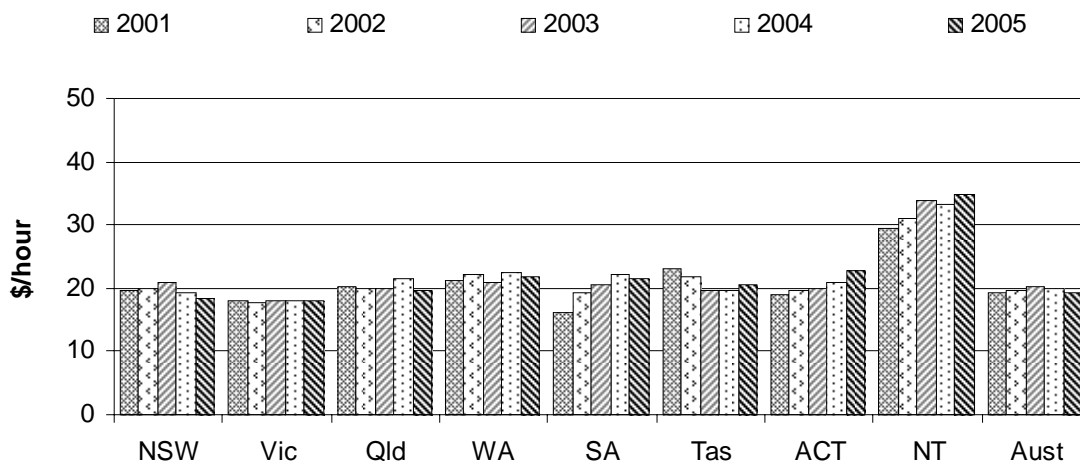
Low unit costs may indicate efficient delivery of VET services per successfully completed load pass hour.

The factors that have the greatest impact on efficiency include:

- training related factors, such as class sizes, teaching salaries, teaching hours per full time equivalent staff member, and differences in the length of training programs
- differences among states and territories, including socio-demographic composition, administrative scale, course mix and dispersion, and scale of service delivery
- the industry mix in a jurisdiction and its effect on the nature of training required
- VET policies and practices, including the level of fees and charges paid by students.

Government expenditure per load pass hour of government funded VET programs in 2005 was \$19.37 nationally. Government real recurrent expenditure per load pass hour decreased from \$19.42 in 2001 to \$19.37 in 2005 (figure 4.12), which may indicate efficient delivery of VET services (box 4.9).

Figure 4.12 **Government real recurrent expenditure per load pass (2005 dollars)^{a, b, c, d}**



^a The ACT is the only jurisdiction not to levy payroll tax on its VET employees. A payroll tax estimate based on the ACT payroll tax rate has been included in the expenditure data for the ACT. ^b Data for Australia excludes the ACT payroll tax estimate. ^c Load pass is based on assessable enrolments of modules and units of competency achieved/passed and RPL, it does not include non-assessable enrolments. ^d Data for 2001–04 have been adjusted to 2005 dollars using the GDP chain price index.

Source: NCVET AVETMISS collection (unpublished); table 4A.15.

Cost of capital per adjusted annual curriculum hour

‘Cost of capital per adjusted annual curriculum hour’ is an output indicator of efficiency of the VET system (box 4.10).

Box 4.10 Cost of capital per adjusted annual curriculum hour

‘Cost of capital per adjusted annual curriculum hour’ is an output indicator of cost of VET services. The cost of capital is included in estimates of the cost of government services because it reflects the opportunity cost of government assets that could otherwise be used to provide other services or to retire debt. Not reporting the user cost of capital underestimates the cost to government of service provision.

The ‘cost of capital per adjusted annual curriculum hour’ is defined as the cost of capital divided by the adjusted annual curriculum hours and course mix weight. The cost of VET service delivery includes both the cost of capital and recurrent costs.

Lower total costs per adjusted annual curriculum hour may reflect higher efficiency in the delivery of VET services.

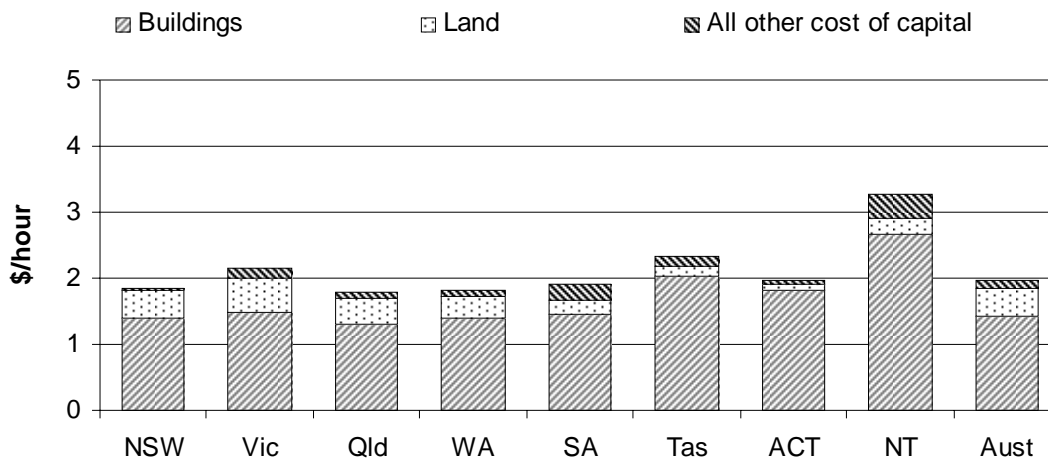
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Box 4.10 (Continued)

The 'cost of capital per adjusted annual curriculum hour' needs to be interpreted carefully because low unit costs may not necessarily reflect a lessening of quality. Differences in some input costs (for example, land values) could affect reported costs across jurisdictions without necessarily reflecting the efficiency of service delivery. The cost of capital for land is presented separately from the cost of other assets, to allow users assessing the results to consider any differences in land values across jurisdictions. The Steering Committee has adopted a nominal user cost of capital rate of 8 per cent, although the actual rate may vary across jurisdictions. The basis for the 8 per cent capital charge is discussed in chapter 2.

Nationally, the largest components of cost of capital per adjusted annual curriculum hour were building costs (\$1.44) followed by land costs (\$0.41) in 2005 (figure 4.13).

Figure 4.13 Cost of capital per adjusted annual curriculum hour, 2005^{a, b}

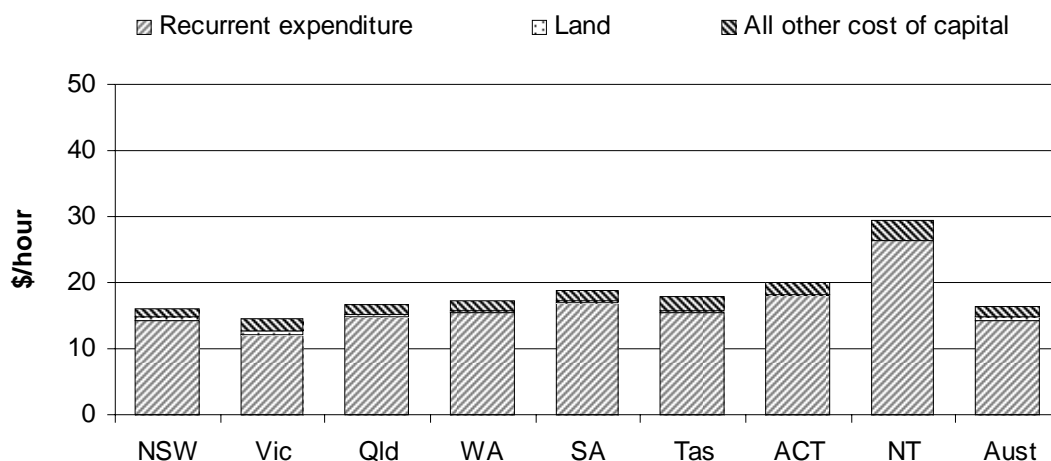


^a Annual curriculum hours adjusted for invalid enrolments and RPL (by NCVER), and course mix weight. Cost of capital includes an imputed user cost of capital of 8 per cent. ^b All other cost of capital includes plant, equipment, motor vehicles and other capital. Cost of capital includes a user cost of capital rate of 8 per cent for all jurisdictions.

Source: NCVER AVETMISS collection (unpublished); table 4A.16.

Nationally, the total cost to government of funding VET per adjusted annual curriculum hour in 2005 was \$16.30, comprising \$14.34 in recurrent costs and \$1.95 in capital costs (figure 4.14). These results need to be interpreted carefully, however, because the asset data used to calculate the cost of capital are less reliable than the recurrent cost data.

Figure 4.14 **Total government VET costs per adjusted annual curriculum hour, 2005^{a, b}**



^a The ACT is the only jurisdiction not to levy payroll tax on its VET employees. A payroll tax estimate based on the ACT payroll tax rate has been added to the recurrent expenditure data presented for the ACT. ^b All other cost of capital includes buildings, plant, equipment, motor vehicles and other capital. Cost of capital includes a user cost of capital rate of 8 per cent for all jurisdictions.

Source: NCVET AVETMISS collection (unpublished); table 4A.17.

Cost of capital per load pass

‘Cost of capital per load pass’ is an output indicator of efficiency in the VET system (box 4.11).

Box 4.11 Cost of capital per load pass

‘Cost of capital per load pass’ is an output indicator of cost of VET services. The cost of capital is included in estimates of the cost of government services because it reflects the opportunity cost of government assets that could otherwise be used to provide other services or to retire debt. Not reporting the user cost of capital underestimates the cost to government of service provision.

The ‘cost of capital per load pass’ is defined as the cost of capital divided by hours of publicly funded load pass. ‘Load pass’ is based on assessable enrolments of modules and units of competency achieved/passed and RPL, it does not include non-assessable enrolments.

The cost of VET service delivery includes both the cost of capital and recurrent costs. Lower total costs per load pass hour may reflect higher efficiency in the delivery of VET services.

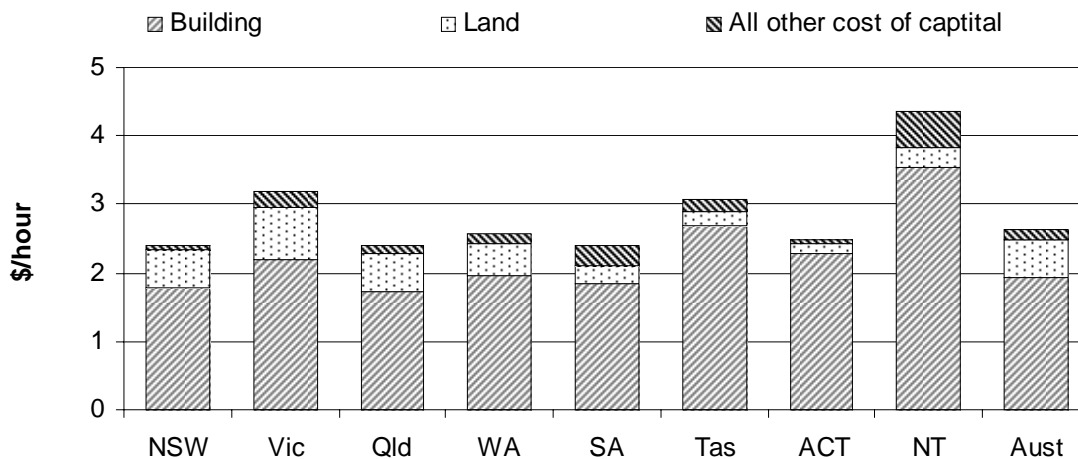
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Box 4.11 (Continued)

The 'cost of capital per load pass' needs to be interpreted carefully because differences in some input costs (for example, land values) could affect reported costs across jurisdictions without necessarily reflecting the efficiency of service delivery. The cost of capital for land is presented separately from the cost of other assets, to allow users assessing the results to consider any differences in land values across jurisdictions. The Steering Committee has adopted a nominal user cost of capital rate of 8 per cent, although the actual rate may vary across jurisdictions. The basis for the 8 per cent capital charge is discussed in chapter 2.

In 2005, the cost of capital per load pass hour was \$2.64 nationally, the largest components were building (\$1.94) and land (\$0.55) costs (figure 4.15).

Figure 4.15 Cost of capital per load pass, 2005^{a, b}



^a Load pass is based on assessable enrolments of modules and units of competency achieved/passed and RPL, it does not include non-assessable enrolments. ^b All other cost of capital includes plant, equipment, motor vehicles and other capital. Cost of capital includes a user cost of capital rate of 8 per cent for all jurisdictions.

Source: NCVET AVETMISS collection (unpublished); table 4A.18.

Outcomes

The objectives for VET services are to achieve a range of outcomes for students and employers (box 4.2). The Steering Committee has identified a range of indicators relating to student and employer outcomes.

Student outcomes

The annual ‘Student Outcomes Survey’ conducted by the NCVER identifies training outcomes for students who graduated with a qualification from a course (graduates) and students who successfully completed some training below the level of full qualification and who were no longer engaged in training when the survey was undertaken (module completers). The students must have been undertaking activity within the VET system in Australia in the previous year (box 4.12).

Box 4.12 Student Outcomes Survey

The data collected about graduates and module completers describes their general characteristics, fields of study, employment outcomes, occupations, industries of employment, satisfaction with their course of study, and further study outcomes.

The survey collects the opinions of a sample of VET students, so the results are estimates of the opinions of the total VET student population. The sample is randomly selected and stratified by TAFE institute, field of study, gender and age. Responses are weighted to population benchmarks to minimise non-response bias.

The precision of survey estimates depends on the sample size and the distribution of sample responses. Consequently, jurisdictional comparisons need to be made with care. To assist with making comparisons across jurisdictions, error bars representing the 95 per cent confidence intervals associated with each point estimate are presented in the survey figures. These confidence intervals can be used to test whether the estimates are statistically different across jurisdictions. When comparing the estimates, if the confidence intervals for the jurisdictions overlap, then no statistical difference is detected between the estimates (at the 95 per cent confidence level). Confidence intervals are also included in the relevant tables of the attachment.

In the 2005 survey year, the Student Outcomes Survey underwent a broadening in scope. While the survey in the past was limited to TAFE students, the expanded survey yields data on total VET providers, capturing government funded students (TAFE, private and community education providers), as well as those training on a fee-for-service basis (TAFE and some private and community education providers). Additional data relating to total VET providers are provided in the supporting tables. Comparisons between TAFE outcomes and total VET provider outcomes must take into account the demographic characteristics of students as well as the level of qualifications offered across training provider types. The discussion of student outcomes in the chapter focuses on students undertaking government funded TAFE activity.

(Continued on next page)

Box 4.12 (Continued)

From 2003, module completers who identified themselves as graduates have been included in the graduate segment for reporting. In previous years' publications these additional graduates were not reported. At the aggregate level, this change is small, but for sub-populations the effect may be greater; therefore caution is required in making comparisons with results published in previous years. Data for 2001-02 have been revised in line with the new definition of graduates.

Care needs to be taken when comparing student outcomes across states and territories, because each jurisdiction has different economic, demographic and social profiles that are likely to have an effect on a range of training related outcomes. In particular, economic parameters beyond the control of the VET system may affect employment outcomes for graduates (see appendix A).

Source: NCVET (2002, 2003), DEST (2006).

Student employment and further study outcomes

'Student employment and further study outcomes' is an outcome indicator of VET services (box 4.13).

Box 4.13 Student employment and further study outcomes

'Student employment and further study outcomes' is an outcome indicator of the VET system's ability to meet individual students' objectives. It reports on the benefits students gained from the VET system. These benefits include immediate employment, improved employment circumstances, a pathway for further study/training as well as personal development.

This indicator comprises five elements:

- the proportion of graduates who were employed and/or continued on to further study after completing their VET course
- the employment rate after participating in VET for students who were specifically seeking employment related or immediate employment related outcomes and who were not employed before their course
- the employment rate after participating in VET for students who were specifically seeking employment related or immediate employment related outcomes and who were employed before their course

(Continued on next page)

Box 4.13 (Continued)

- the proportion of graduates who were employed before their course, who undertook the course for employment related reasons and who reported that their course was highly relevant or of some relevance to their main job
- the proportion of graduates who undertook their course for employment related reasons and who reported at least one work-related benefit from completing the course.

Holding other factors constant, high or increasing proportions indicate positive employment or further study outcomes after training, a high level of relevance of the training to an employed students' main job, and a high level of students who received at least one work-related benefit from completing the course. The proportion of students who improved their employment outcomes or were engaged in further study may overlap, since students may realise the two outcomes simultaneously.

Comparison of labour market outcomes must also account for the general economic conditions in each jurisdiction (see appendix A).

Jurisdictional comparisons of employment outcomes need to be made with care because large confidence intervals may be associated with the survey estimates (tables 4A.19–4A.30).

Nationally, 88 per cent of TAFE graduates surveyed indicated that they were either in employment and/or pursuing further study after completing a VET course in 2005 — compared with 86 per cent in 2004 (table 4A.19). Of those graduates who were either employed and/or continued on to further study after completing a VET course in 2005, 77 per cent said they were in employment while 35 per cent continued on to further study (figure 4.16).

Figure 4.16 Proportion of TAFE graduates in employment and/or continued on to further study after completing a course, 2005^{a, b}

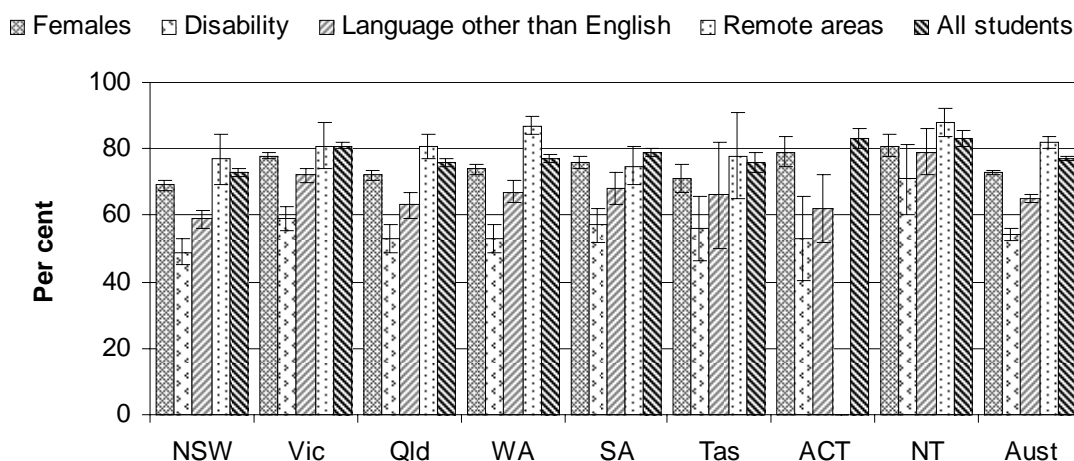


^a The further study outcomes findings are not applicable to module load completers. A module completer, by definition is someone who has left the system. ^b The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate.

Source: NCVET Student Outcomes Survey (unpublished); table 4A.19.

Nationally, 82 per cent of TAFE graduates from remote and very remote areas, 73 per cent of female graduates, 54 per cent of graduates with a disability, and 65 per cent of graduates who spoke a language other than English at home were employed after completing a VET course in 2005, compared with 77 per cent of all TAFE graduates (figure 4.17). Further information on graduates in employment and/or who continued on to further study after completing a course in 2001–05 for target groups and geolocation disaggregations are reported in tables 4A.20–26.

Figure 4.17 Proportion of TAFE graduates in employment after completing a course, by target groups, 2005^{a, b, c, d, e}



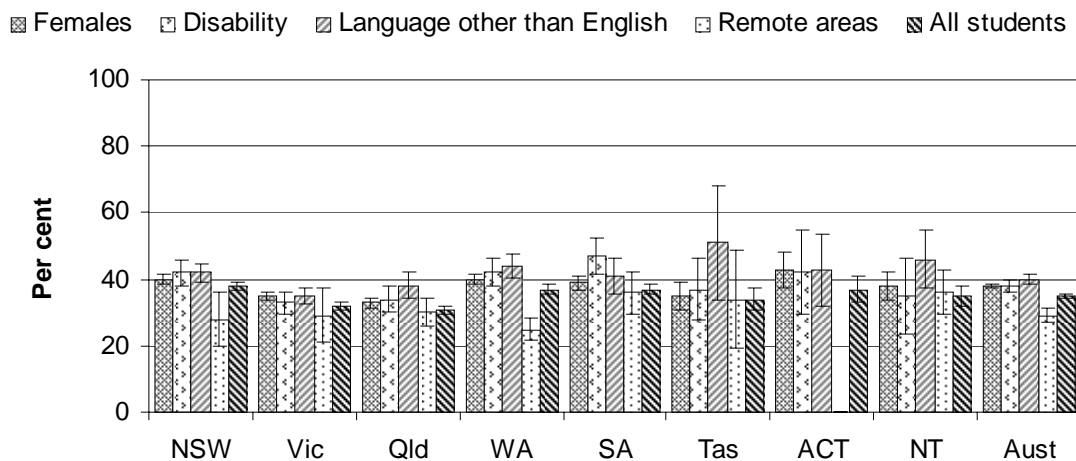
^a Students with disabilities are defined as those who self-identify that they have a disability, impairment or long-term condition. Disabilities include hearing/deaf, physical, intellectual, learning, mental illness, acquired brain impairment, vision, medical condition and other unspecified disabilities. ^b Care needs to be taken in comparing outcomes for students reporting a disability and students speaking a language other than English at home because of the high non-identification rates for these groups. ^c There are no very remote areas in Victoria and no remote or very remote areas in the ACT. The remote data for the ACT was nil or rounded to zero. ^d The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate. ^e The estimates for VET outcomes have large confidence intervals for some jurisdictions and are considered too unreliable for general use.

Source: NCVET Student Outcomes Survey (unpublished); tables 4A.19–20 and 4A.24–26.

Students who continued on to further study after completing their training

Nationally, a higher proportion of students speaking a language other than English at home (40 per cent), female students and students with a disability (both 38 per cent), continued on to further study in 2005, compared to all TAFE students (35 per cent) and students from remote and very remote areas (29 per cent) (figure 4.18).

Figure 4.18 Proportion of TAFE graduates who continued on to further study after completing a course, by target groups, 2005^{a, b, c, d, e, f}

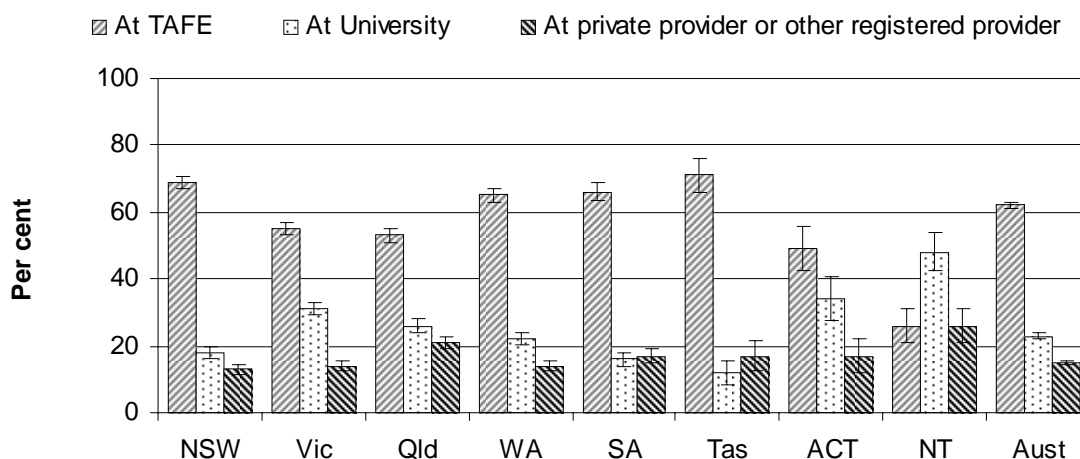


^a The further study outcomes findings are not applicable to module load completers. A module completer, by definition, is someone who has left the system. ^b Students with disabilities are defined as those who self-identify that they have a disability, impairment or long-term condition. Disabilities include hearing/deaf, physical, intellectual, learning, mental illness, acquired brain impairment, vision, medical condition and other unspecified disabilities. ^c Care needs to be taken in comparing results for students reporting a disability and students speaking a language other than English at home because of the high non-identification rates for these groups. ^d There are no very remote areas in Victoria and no remote or very remote areas in the ACT. The remote data for the ACT was nil or rounded to zero. ^e The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate. ^f The estimates for VET outcomes have large confidence intervals for some jurisdictions and are considered too unreliable for general use.

Source: NCVET Student Outcomes Survey (unpublished); tables 4A.19–20 and 4A.24–26.

Of those TAFE students who continued on to further study, 62 per cent pursued their further study within the TAFE system, while 23 per cent went on to further study at universities and 15 per cent went on to further study at private providers or other registered providers (figure 4.19).

Figure 4.19 TAFE graduates who continued on to further study after completing a course, by type of institution, 2005^{a, b, c, d}



^a The further study outcomes findings are not applicable to module load completers. A module completer, by definition, is someone who has left the system. ^b TAFE includes TAFE institutes and TAFE divisions of universities. ^c The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate. ^d The estimates for VET outcomes have large confidence intervals for some jurisdictions and are considered too unreliable for general use.

Source: NCVET Student Outcomes Survey (unpublished); table 4A.19.

Students seeking immediate employment related outcomes

Students who were unemployed before undertaking a course and were doing a course for employment related reasons are considered to be seeking immediate employment related outcomes.

Nationally, of the TAFE graduates surveyed in 2005 who were seeking immediate employment outcomes, 51 per cent indicated they were employed after the course while 8 per cent were not in the labour force (figure 4.20).

Figure 4.20 Labour force status after the course of TAFE graduates who were not employed before the course and took the course for employment related reasons, 2005^{a, b, c}

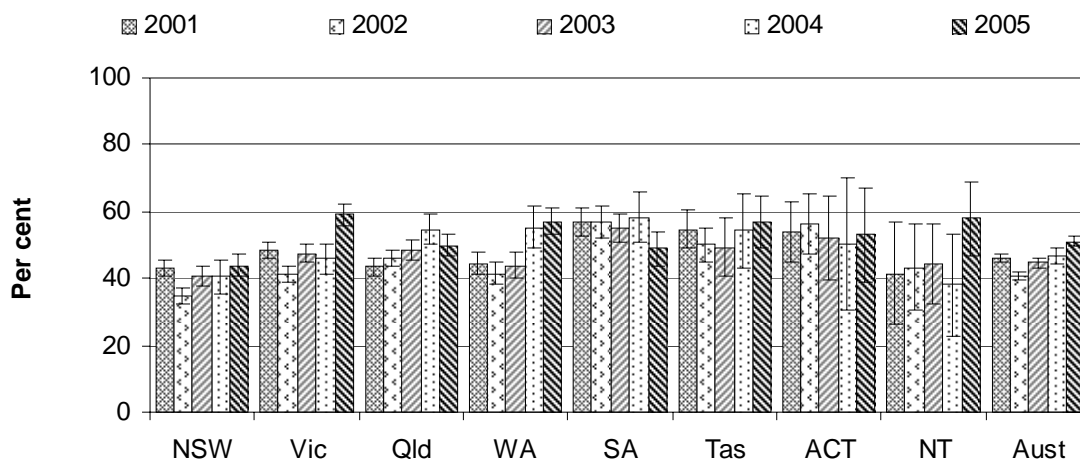


^a The 95 per cent confidence intervals for the percentage estimates are reported in table 4A.27. The estimates for VET outcomes have large confidence intervals for some jurisdictions and are considered too unreliable for general use. ^b Numbers may not add to 100 due to unknown responses and to rounding. ^c Not in the labour force data for the ACT are not published due to 5 or less responses.

Source: NCVET Student Outcomes Survey (unpublished); table 4A.27.

Between 2001 and 2005, the proportion of TAFE graduates who undertook a VET course seeking immediate employment related outcomes and who became employed after the course increased by 5 percentage points (from 46 to 51 per cent) (figure 4.21).

Figure 4.21 Proportion of TAFE graduates who were not employed prior to commencing a course and were employed after completing a course^{a, b}



^a The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate. ^b The estimates for VET outcomes have large confidence intervals for some jurisdictions and are considered too unreliable for general use.

Source: NCVET Student Outcomes Survey (unpublished); table 4A.27.

Students seeking to improve their employment circumstances

Students who were employed before undertaking a VET course and took the course for employment related reasons are considered to be seeking to improve their employment circumstances.

Nationally, of the TAFE graduates surveyed in 2005 who were seeking to improve their employment circumstances, 90 per cent were employed after the course while 4 per cent were not in the labour force (figure 4.22).

Figure 4.22 Labour force status after the course of TAFE graduates who were employed before the course and took the course for employment related reasons, 2005^{a, b}



^a The 95 per cent confidence intervals for the percentage estimates are reported in table 4A.28. ^b Numbers may not add to 100 due to unknown responses and to rounding.

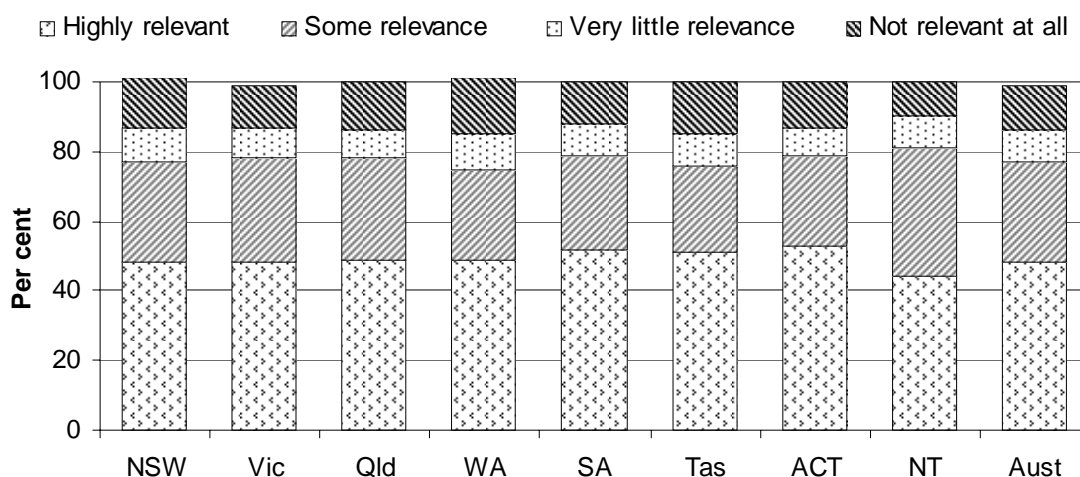
Source: NCVET Student Outcomes Survey (unpublished); table 4A.28.

Students rating the relevance of their course to their main job

Students who were employed after undertaking a course and took the course for employment related reasons were asked to rate the relevance of the course they completed to their main jobs.

Nationally, of the TAFE graduates surveyed in 2005 who were employed before their course and who undertook their course for employment related reasons, 77 per cent indicated their course was highly relevant or of some relevance to their main job, while 13 per cent indicated it was not relevant at all (figure 4.23).

Figure 4.23 **Employed TAFE graduates who undertook their course for employment related reasons, by relevance of course to main job, 2005^{a, b}**



^a The 95 per cent confidence intervals for the percentage estimates are reported in table 4A.29. ^b Numbers may not add to 100 due to unknown responses and to rounding.

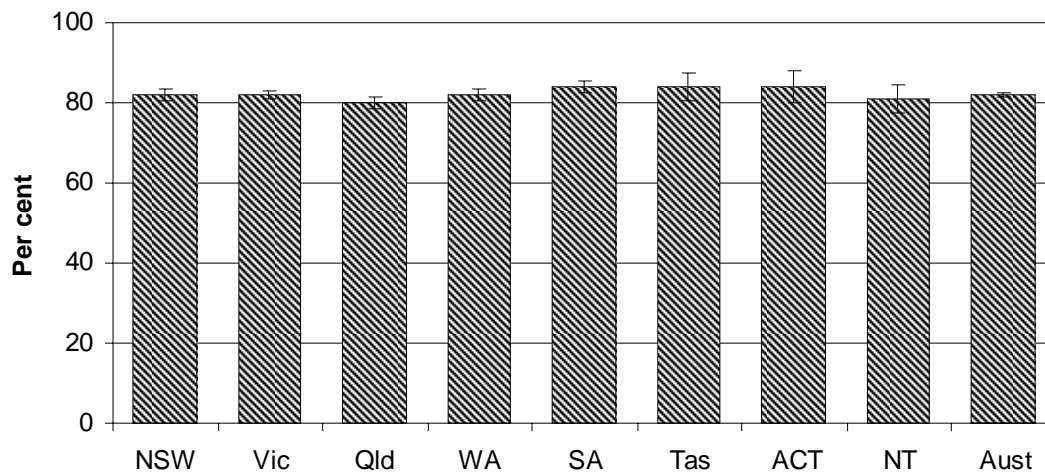
Source: NCVET Student Outcomes Survey (unpublished); table 4A.29.

Students receiving work-related benefit

Nationally, of the TAFE graduates who undertook their course for employment related reasons in 2005, 82 per cent indicated they had gained at least one work-related benefit from completing the course (figure 4.24). The benefits reported by graduates included:

- obtained a job (34 per cent)
- achieved an increase in earnings (28 per cent)
- achieved a promotion or an increased status at work (27 per cent)
- a change of job or new job (18 per cent)
- gaining the ability to start their own business (8 per cent) (table 4.A30).

Figure 4.24 **TAFE graduates who undertook their course for employment related reasons and who received at least one work-related benefit from completing the course, 2005^a**



^a The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate.

Source: NCVET Student Outcomes Survey (unpublished); table 4A.30.

Further information on VET employment outcomes is available from the ‘Down the Track’ survey of long term VET outcomes for 15–24 year olds, available in the 2006 Report (SCRGSP (2006), box 4.13, p.4.39) and *Down the track: TAFE outcomes for young people two years on* (NCVER 2006).

Student achievement in VET

‘Student achievement in VET’ is an outcome indicator for equitable access to VET services (box 4.14).

Box 4.14 Student achievement in VET

'Student achievement in VET' is an outcome indicator of the success in VET of VET target groups (females, residents of remote areas, people with a disability and people speaking a language other than English at home).

This indicator comprises two elements:

- 'Load pass rate' is the ratio of hours attributed to students who gained competencies/passed assessment in an assessable module or unit of competency to all students who were assessed and either passed, failed or withdrew. The calculation is based on the annual hours for each assessable module or unit of competency and includes competencies achieved/units passed through RPL.
- 'Number of students who commenced and completed' is defined as the number of VET students in a given year who commenced a course and eventually completed their course, expressed as a proportion of all course commencing enrolments in that year.

'Load pass rate' is a measure of students' success, which has an impact on a student's attainment of skills. High 'load pass rates' and 'number of students who commenced and completed' indicate that student achievement is high, which is desirable. The rates for target groups, relative to those for the general student population, indicate whether target groups are as successful as other students.

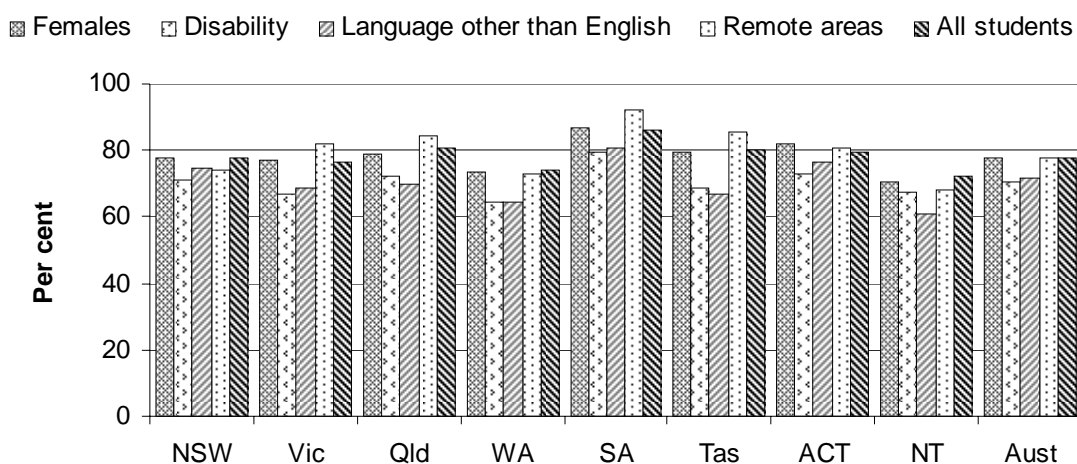
Care needs to be taken in comparing data across jurisdictions because average module durations vary across jurisdictions.

Reporting on the 'number of students who commenced and completed', expressed as a proportion of all course commencing enrolments in that year is dependent on the capacity to track individual students over more than one calendar year. Data, however, were not available for the 2007 Report.

Load pass rate

In 2005, the 'load pass rate' for all government funded students was 78.0 per cent, similar to load pass rates for female students and students from remote and very remote areas (both 77.9 per cent). The load pass rates for students reporting a disability (70.2 per cent) and students speaking a language other than English at home (72.0 per cent) were lower than for all students (figure 4.25).

Figure 4.25 Load pass rates, by target groups, 2005^{a, b, c, d}



^a Government recurrent funded VET students. ^b Students with disabilities are defined as those who self-identify on enrolment forms that they have a disability, impairment or long-term condition. Disabilities include hearing/deaf, physical, intellectual, learning, mental illness, acquired brain impairment, vision, medical condition and other unspecified disabilities. ^c Care needs to be taken in comparing 'load pass rates' for students reporting a disability and students speaking a language other than English at home because the non-identification rates for these groups are high. ^d There are no very remote areas in Victoria. There are no major cities in Tasmania. There are no outer regional areas, remote or very remote areas in the ACT. There are no major cities or regional areas in the NT. Data for these geolocation disaggregations are for students from these regional or remote areas throughout Australia studying in the jurisdiction.

Source: NCVET AVETMISS collection (unpublished); tables 4A.31–34.

Nationally, between 2001 and 2005, the load pass rates increased for:

- female students by 1.6 percentage points nationally (from 76.3 to 77.9 per cent) (table 4A.31)
- students from remote and very remote areas by 3.5 percentage points (from 74.4 to 77.9 per cent) (table 4A.32)
- students speaking a language other than English at home by 2.7 percentage points (from 69.3 to 72.0 per cent) (table 4A.34)
- all students by 2.4 percentage points (from 75.6 to 78.0) (tables 4A.31).

The load pass rate for students with a disability increased by 2.5 percentage points nationally (from 67.7 per cent to 70.2 per cent) between 2002 and 2005 (table 4A.33). There is a time-series break in the data for students with a disability prior to 2002, and as a result, comparison is made between 2002 and 2005 as distinct from between 2001 and 2005 as is the case with all remaining target groups reporting.

Student satisfaction with VET

‘Student satisfaction with VET’ is an outcome indicator of VET services (box 4.15).

Box 4.15 Student satisfaction with VET

‘Student satisfaction with VET’ is an outcome indicator of students’ satisfaction with their training program. It measures whether students achieved their main reason for doing a course and whether they were satisfied or very satisfied with the overall quality of their VET training program.

This indicator comprises two elements:

- ‘proportion of students who achieve their main reason for doing a VET course’ is defined as the proportion of graduates in the Student Outcomes Survey who indicate that they achieved or partly achieved their main reason for doing the course
- ‘proportion of students who were satisfied with the quality of their completed VET course’ is defined as the proportion of graduates in the Student Outcomes Survey who indicate that they were satisfied or very satisfied with their VET training program.

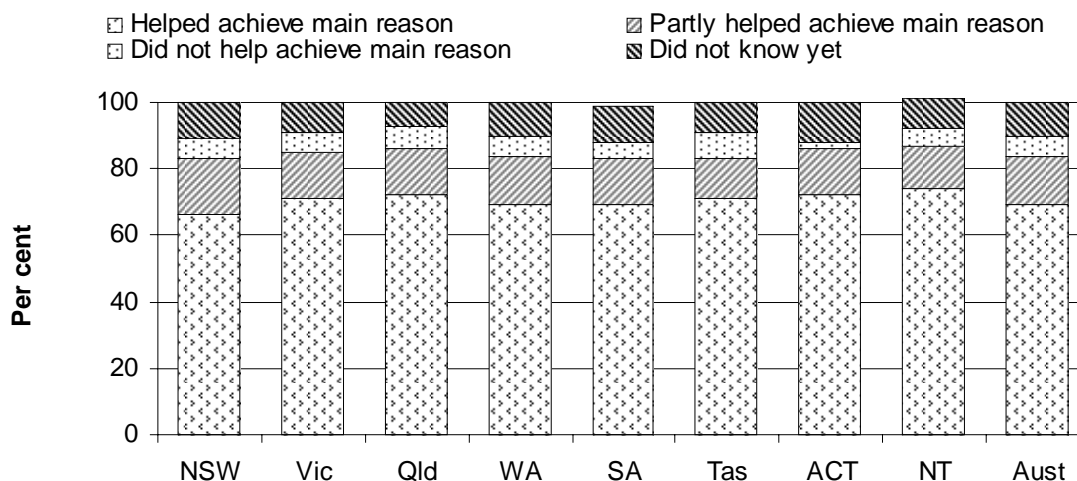
A higher percentage indicates a higher level of satisfaction. The proportion of graduates who achieve their training objectives varies according to their objectives — employment related, further study and/or developmental — so it is useful to distinguish amongst types of student objective.

Students who achieve their main reason for doing a course

In 2005, 84 per cent of TAFE graduates surveyed nationally indicated that their course helped or partly helped them achieve their main reason for doing the course — slightly higher than the 80 per cent reported in 2004 (table 4A.35). Of those graduates surveyed in 2005, 6 per cent indicated their course did not help them achieve the main reason they did the course, compared with 8 per cent in 2004 (table 4A.35, figure 4.26).

Nationally, students from remote and very remote areas were the most likely to indicate that the course helped them achieve their main reason for doing the course (77 per cent), while graduates reporting speaking a language other than English at home were the least likely to do so (61 per cent). 69 per cent of all TAFE students indicated that the course helped them achieve their main reason for doing the course (figure 4.27).

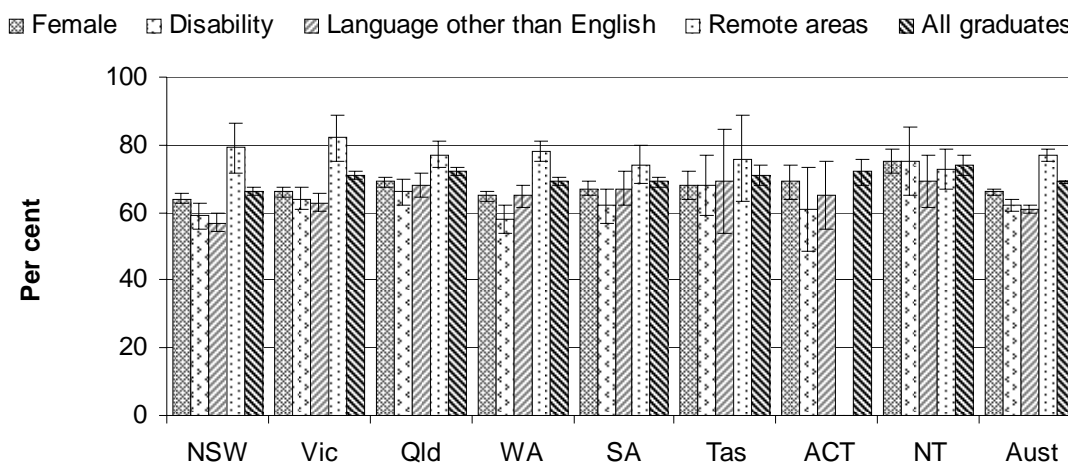
Figure 4.26 Proportion of TAFE graduates who achieved their main reason for doing the course, 2005^{a, b}



^a The 95 per cent confidence intervals for the percentage estimates are reported in table 4A.35. ^b Numbers may not add to 100 due to unknown responses and to rounding

Source: NCVET Student Outcomes Survey (unpublished); table 4A.35.

Figure 4.27 Proportion of TAFE graduates who achieved their main reason for doing the course, by target groups 2005^{a, b, c, d}



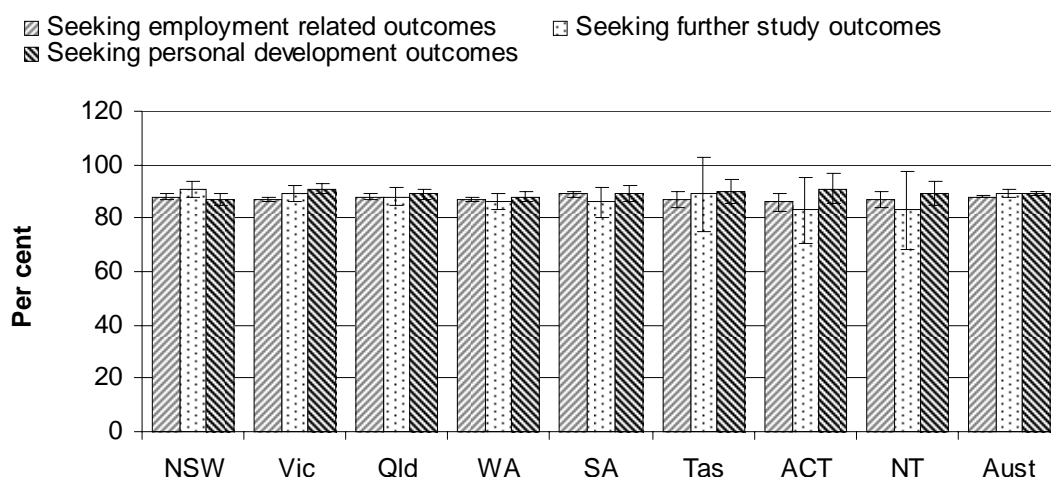
^a The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate. ^b The estimates for VET outcomes have large confidence intervals for some jurisdictions and are considered too unreliable for general use. ^c There are no very remote areas in Victoria and no remote or very remote areas in the ACT. The remote data for Victoria are for students from remote areas throughout Australia studying in the jurisdiction. The remote data for the ACT was nil or rounded to zero. ^d Students with disabilities are defined as those who self-identify that they have a disability, impairment or long-term condition. Disabilities include hearing/deaf, physical, intellectual, learning, mental illness, acquired brain impairment, vision, medical condition and other unspecified disabilities.

Source: NCVET Student Outcomes Survey (unpublished); tables 4A.35–42.

Students who were satisfied with the quality of their completed training

In 2005, 88 per cent of TAFE graduates surveyed nationally indicated that they were satisfied with the quality of their completed training (table 4A.43). The satisfaction level across students undertaking training with different objectives were very similar — students seeking employment related outcomes (88 per cent), seeking further study outcomes and seeking personal development outcomes (both 89 per cent) (figure 4.28).

Figure 4.28 Proportion of TAFE graduates who were satisfied with the quality of their completed course, by purpose of study, 2005^{a, b, c}

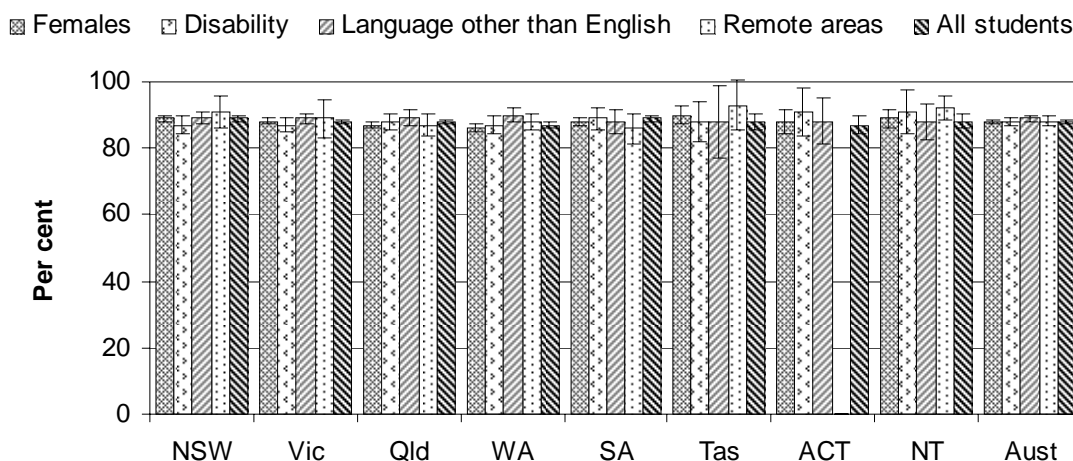


^a Satisfaction with overall quality of training was rated as satisfied or very satisfied on a 5 point scale. ^b The estimates for VET outcomes have large confidence intervals for some jurisdictions and are considered too unreliable for general use. ^c The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate.

Source: NCVET Student Outcomes Survey (unpublished); table 4A.43.

The satisfaction level across target groups were also very similar — female graduates and graduates reporting a disability (both 88 per cent), graduates speaking a language other than English at home (89 per cent) and graduates from remote and very remote areas (88 per cent) (figure 4.29). A further breakdown of target groups by the purpose of study can be found in attachment tables 4A.44–50.

Figure 4.29 Proportion of TAFE graduates who were satisfied with the quality of their completed course, by target groups, 2005^{a, b, c, d, e, f}



^a Satisfaction with overall quality of training was rated as satisfied or very satisfied on a 5 point scale. ^b Students with disabilities are defined as those who self-identify that they have a disability, impairment or long-term condition. Disabilities include hearing/deaf, physical, intellectual, learning, mental illness, acquired brain impairment, vision, medical condition and other unspecified disabilities. ^c Care needs to be taken in comparing outcomes for students with a disability and students speaking a language other than English at home because the non-identification rates for these groups are high. ^d The estimates for VET outcomes have large confidence intervals for some jurisdictions and are considered too unreliable for general use. ^e There are no very remote areas in Victoria and no remote or very remote areas in the ACT. The remote data for Victoria are for students from remote areas throughout Australia studying in the jurisdiction. The remote data for the ACT was nil or rounded to zero. ^f The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate.

Source: NCVET Student Outcomes Survey (unpublished); tables 4A.43–44 and 4A.48–50.

Skill profile

‘Skill profile’ is an outcome indicator of VET services (box 4.16).

Box 4.16 Skill profile

‘Skill profile’ is an outcome indicator of Australia’s VET system’s ability to create and maintain a national pool of skilled Australian workers that is sufficient to support internationally competitive commerce and industry.

It measures the stock of VET skills held by Australians relative to the level of these skills required by Australian industry. Progress is underway to investigate indicators for ‘skill profile’, and in the interim ‘skill outputs from VET’ are reported under this indicator.

(Continued on next page)

Box 4.16 (Continued)

'Skill outputs from VET' measures students' skill outputs from the VET system in a given year. It comprises four elements:

- 'Qualifications completed' is defined as number of qualifications completed each year by students in VET, where a qualification is a certification to a person on successful completion of a course in recognition of having achieved particular knowledge, skills or competencies.
- 'Units of competency' is defined as the number of units of competency successfully achieved each year by government recurrent funded VET students, where a unit of competency is defined as a component of a competency standard and/or a statement of a key function or role in a particular job or occupation.
- 'Modules completed' is defined as the number of modules (outside training packages) achieved/passed each year by government recurrent funded VET students, where a module (also called a subject) is a unit of education or training which can be completed on its own or as part of a course. Modules may also result in the attainment of one or more units of competency.
- Annual growth in qualifications completed, units of competency and modules achieved/passed is defined as the percentage change of qualifications, units of competency or modules achieved/passed from year to year.

Higher numbers of qualifications completed, and units of competency or modules achieved/passed results in a greater increase in VET skills, all else being equal.

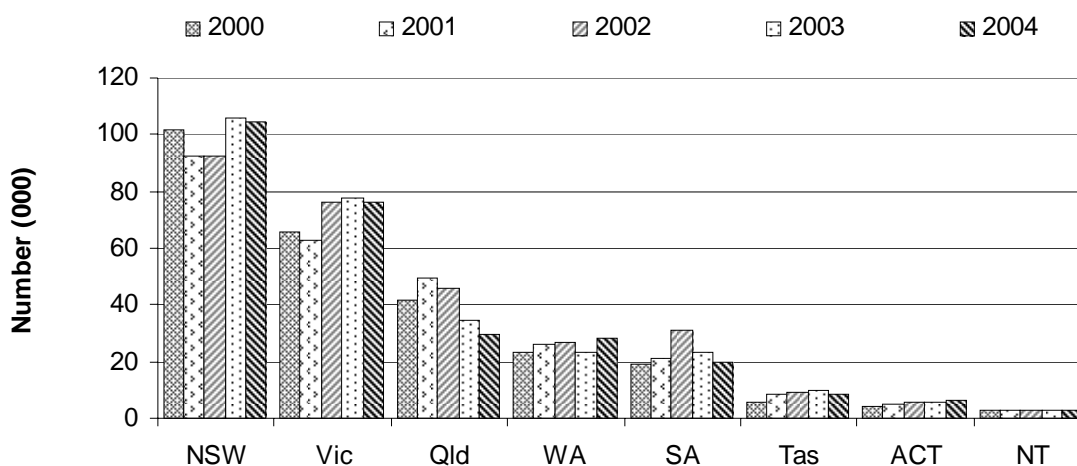
Qualifications completed in 2004 are counted in 2006 and are included in the 2007 Report.

Source: DEST (2006).

Skill outputs from VET — qualifications completed

Nationally, 274 800 VET qualifications were completed in 2004, 282 200 in 2003, 289 900 in 2002, 268 100 in 2001 and 263 700 in 2000 (table 4A.51). The number of qualifications completed includes both government and non-government funded VET students. The number of qualifications completed varied across jurisdictions (figure 4.30).

Figure 4.30 Qualifications completed, all graduates^{a, b}

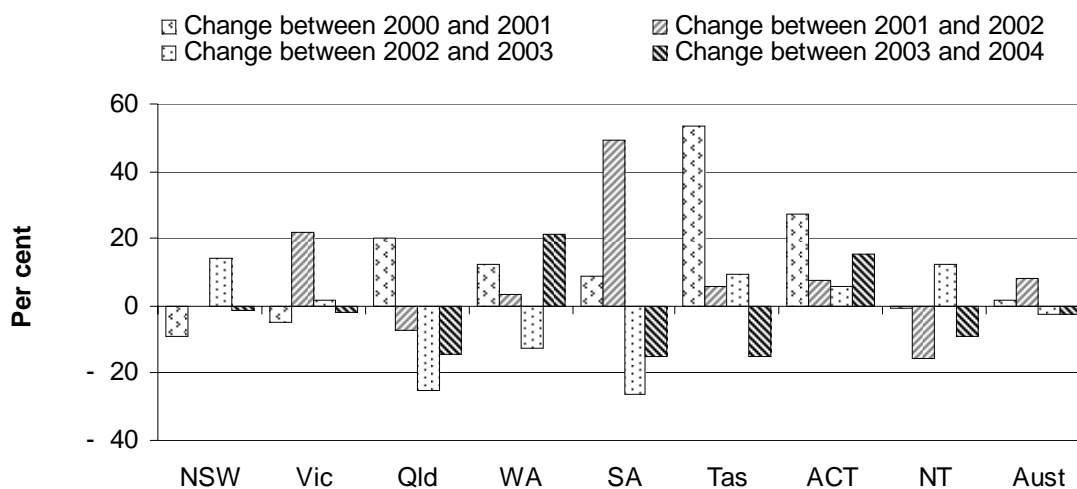


^a Qualifications completed includes courses accredited or approved by a local State/Territory authority. ^b The number of qualifications completed includes both government funded and non-government funded VET students.

Source: NCVET AVETMISS collection (unpublished); table 4A.51.

The number of qualifications completed increased nationally, by 8.1 per cent between 2001 and 2002. Since 2002, the number of qualifications completed decreased by 2.7 per cent in 2003. In 2004, there was a further decrease of 2.6 per cent (figure 4.31).

Figure 4.31 Growth in qualifications completed, by change from previous year, all graduates^{a, b, c}



^a Qualifications completed includes courses accredited or approved by a local State/Territory authority. ^b The number of qualifications completed includes both government funded and non-government funded VET students. ^c Represents students eligible to be awarded a qualification.

Source: NCVET AVETMISS collection (unpublished); table 4A.51.

Amongst the VET target groups, between 2000 and 2004 the number of qualifications completed nationally increased by:

- 9.6 per cent for female students (table 4A.51)
- 30.7 per cent for students speaking a language other than English at home (table 4A.54).

The number of qualifications completed for students from remote and very remote areas decreased by 17.5 per cent between 2001 and 2004 (table 4A.52). The number of qualifications completed for students with a disability increased by 10.2 per cent between 2002 and 2004 (table 4A.53).

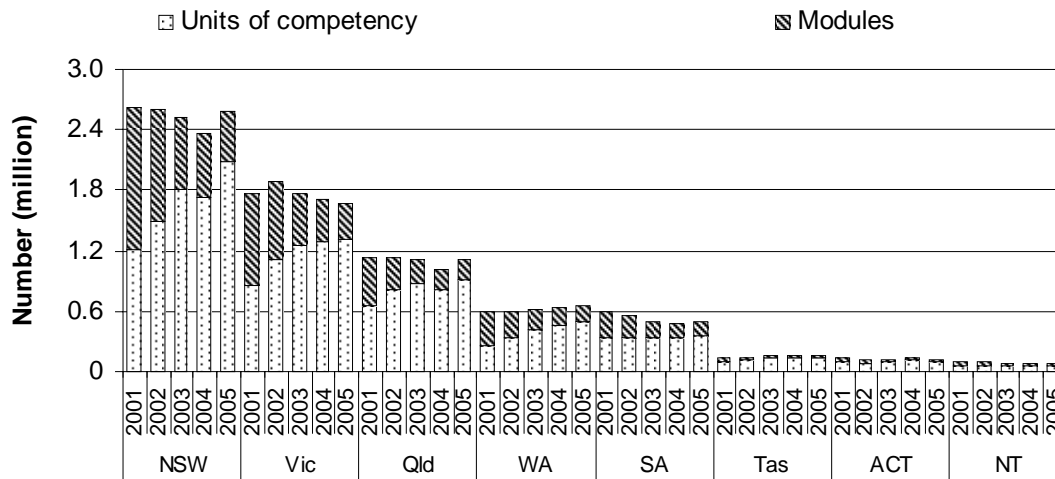
Skill outputs from VET — units of competency completed

Nationally, students achieved 5.5 million units of competency in 2005, 5.0 million in both 2004 and 2003, 4.4 million in 2002 and 3.6 million in 2001 (table 4A.55). There was a 52.5 per cent increase in units of competency achieved/passed between 2001 and 2005.

Skill outputs from VET — modules completed

Nationally, students achieved 1.4 million modules in 2005, 1.6 million in 2004, 1.9 million in 2003, 2.8 million in 2002 and 3.5 million in 2001. There was a 60.2 per cent decrease in modules achieved/passed between 2001 and 2005 (table 4A.59). The number of units of competency and number of modules achieved/passed varied across jurisdictions (figure 4.32).

Figure 4.32 Units of competency and modules achieved/passed, all students^a

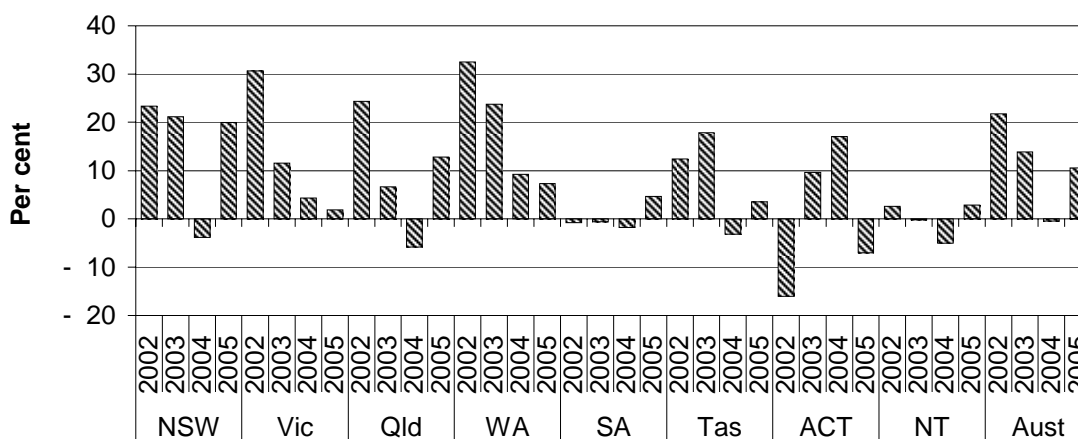


^a Government recurrent funded VET students.

Source: NCVET AVETMISS collection (unpublished); tables 4A.55 and 4A.59.

Nationally, the number of units of competency achieved/passed has increased annually since 2002, except for 2004. In 2005, units of competency achieved/passed increased by 10.5 per cent from 2004 (figure 4.33).

Figure 4.33 Growth in units of competency achieved/passed, by change from previous year^a



^a Government recurrent funded VET students.

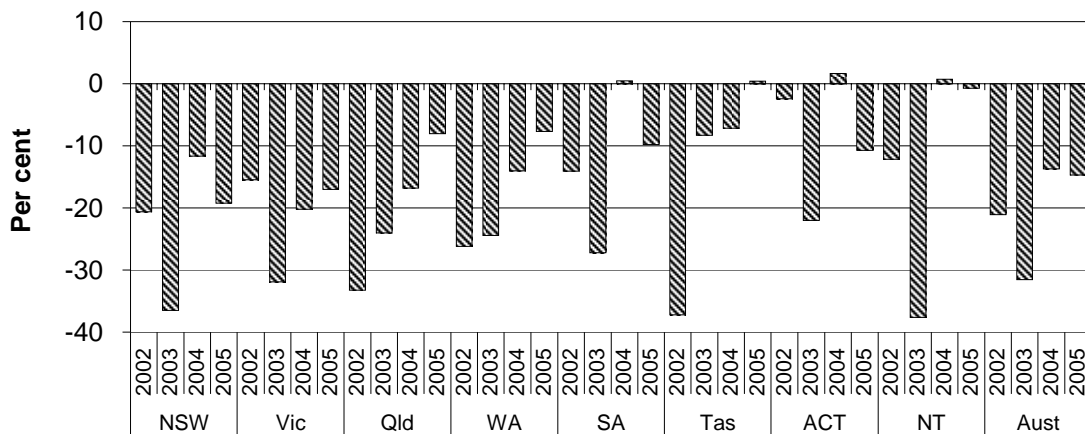
Source: NCVET AVETMISS collection (unpublished); table 4A.55.

Amongst the VET target groups, between 2001 and 2005 the number of units of competency achieved/passed nationally increased by:

- 42.4 per cent for female students, while for males, it increased by 64.2 per cent
- 96.8 per cent for students speaking a language other than English at home
- 37.8 per cent for students from remote and very remote areas (tables 4A.55-56 and table 4A.58).

Nationally, the number of modules achieved/passed has decreased annually since 2002. In 2005, modules achieved/passed decreased by 14.7 per cent from 2004 (figure 4.34).

Figure 4.34 **Growth in modules achieved/passed, by change from previous year^a**



^a Government recurrent funded VET students.

Source: NCVET AVETMISS collection (unpublished); table 4A.59.

Amongst the VET target groups the number of modules achieved/passed nationally between 2001 and 2005 decreased by:

- 64.3 per cent for female students, while for males, it decreased by 56.8 per cent
- 38.4 per cent for students speaking a language other than English at home
- 60.1 per cent for students from remote and very remote areas (tables 4A.59-60 and 4A.62).

The VET sector is focussed on delivering nationally approved training package qualifications and units of competency. Most jurisdictionally accredited courses and modules are being phased out. However there are some niche markets where accredited courses will be maintained and new ones developed.

Indigenous outcomes

'Indigenous outcomes' is an outcome indicator (box 4.17).

Box 4.17 Indigenous outcomes

'Indigenous outcomes' is an outcome indicator of the extent to which Indigenous people engage with and achieve positive outcomes from VET. This indicator comprises three elements:

- 'Indigenous students' achievement in VET' measures Indigenous students' success in VET. It reports on load pass rates achieved by Indigenous students and the number of Indigenous students who commenced and completed expressed as a proportion of all course commencing enrolments by Indigenous students in that year.
- 'Skill outputs of Indigenous students' measures the level of skill outputs achieved in a given year by Indigenous students from the VET system in a given year. It reports on the number of qualifications completed by Indigenous students, the number of units of competency and the number of modules (outside training packages) achieved/passed by Indigenous students.
 - 'Qualifications completed by Indigenous students' is defined as the number of qualifications completed by Indigenous students each year in VET, where a qualification is a certification awarded to a person on successful completion of a course in recognition of having achieved particular knowledge, skills or competencies.
 - 'Units of competency achieved by Indigenous students' is defined as the number of units of competency achieved by Indigenous government recurrent funded VET students, where a unit of competency is defined as a component of a competency standard and/or a statement of a key function or role in a particular job or occupation.
 - 'Modules completed by Indigenous students' is defined as the number of modules (outside training packages) achieved each year by Indigenous government recurrent funded VET students, where a module (also called a subject) is a unit of education or training which can be completed on its own or as part of a course. Modules may also result in the attainment of one or more units of competency.
- 'VET outcomes for Indigenous students' measures the VET system's ability to meet Indigenous students' objectives. It reports on the benefits Indigenous students gained from the VET system and the proportion of Indigenous students who improved their employment or further study outcomes after completing a course.

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Box 4.17 (Continued)

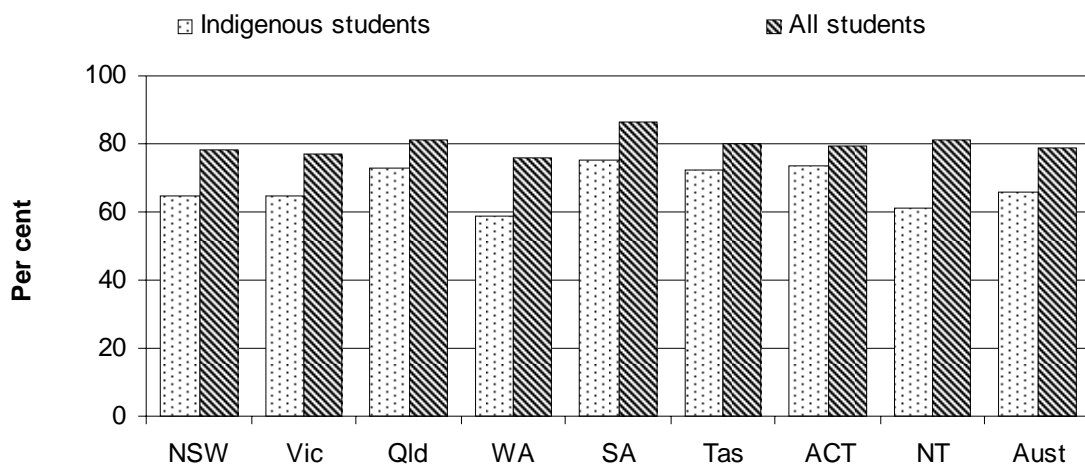
High 'load pass rates' and 'number of students who commenced and completed' indicate that student achievement is high, which is desirable. Higher numbers of qualifications completed, and units of competency or modules achieved/passed results in a greater increase in VET skills, all else being equal.

Reporting on students who commenced and completed is dependent on the capacity to track individual students over more than one calendar year and the data are not yet available. Qualifications completed in 2004 are counted in 2006 and are included in the 2007 Report.

Indigenous students' achievement in VET

In 2005, the national 'load pass rate' for Indigenous government funded students (66.0 per cent) was lower than the national load pass rate for all government funded students (78.0 per cent) (figure 4.35).

Figure 4.35 Indigenous students' load pass rate, 2005^a

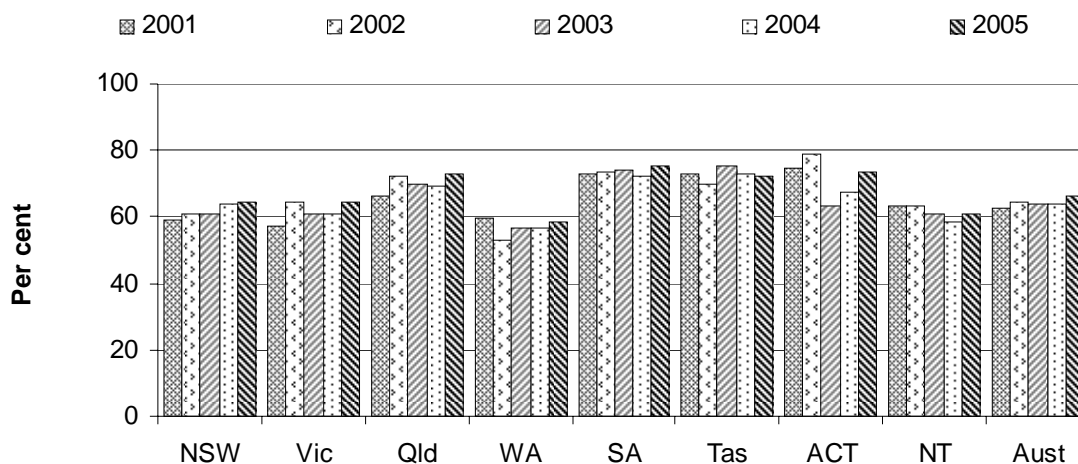


^a Government recurrent funded VET students.

Source: NCVET AVETMISS collection (unpublished); table 4A.63.

The load pass rate for Indigenous government funded students increased nationally from 62.4 per cent in 2001 to 66.0 per cent in 2005 (figure 4.36).

Figure 4.36 Indigenous students' load pass rate^a



^a Government recurrent funded VET students.

Source: NCVET AVETMISS collection (unpublished); table 4A.63.

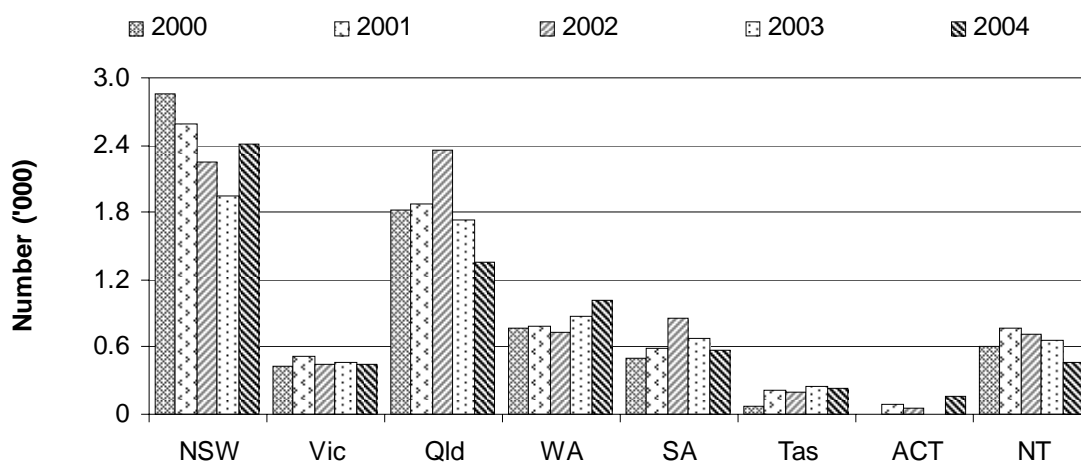
Indigenous students' skill outputs

The indicator 'skill outputs of Indigenous students' measures the skill outputs of Indigenous students from the VET system in a given year. It reports on the number and proportion of qualifications completed, units of competency and modules (outside training packages) achieved/passed in a given year.

Qualifications completed — Indigenous students

Nationally, Indigenous students completed 6700 VET qualifications in 2004 — the same number of qualifications as completed in 2003. In 2002, 7600 qualifications were completed, 7400 in 2001 and 7100 in 2000. Indigenous students accounted for 2.4 per cent of all the qualifications completed in 2004 (table 4A.64). The number of qualifications completed by Indigenous students varied across jurisdictions (figure 4.37).

Figure 4.37 Qualifications completed, by Indigenous status^{a, b, c}



^a Qualifications completed includes courses accredited or approved by a local State/Territory authority. ^b The number of qualifications completed includes both government funded and non-government funded VET students. ^c Represents students eligible to be awarded a qualification.

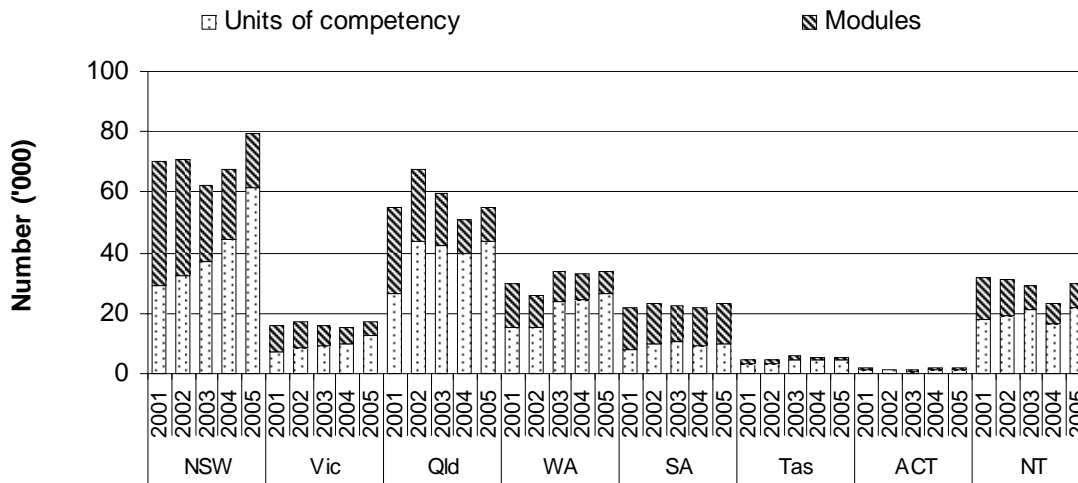
Source: NCVET AVETMISS collection (unpublished); table 4A.64.

Units of competency and modules completed by Indigenous students

Nationally, the number of units of competency achieved/passed by Indigenous government funded students increased by 21.3 per cent (from 149 800 in both 2003 and 2004 to 181 700 units in 2005). The number of units of competency achieved/passed in 2002 was 133 900 and 108 100 in 2001 (table 4A.65).

Nationally, the number of modules achieved/passed by Indigenous government funded students decreased by 7.0 per cent from 69 000 in 2004 to 64 200 in 2005. The number of modules achieved/passed in 2003 was 80 200, 108 100 in 2002 and 122 900 in 2001 (table 4A.65). The number of units of competency and number of modules achieved/passed varied across jurisdictions (figure 4.38).

Figure 4.38 **Units of competency and modules achieved/passed, by Indigenous students^a**



^a Government recurrent funded VET students.

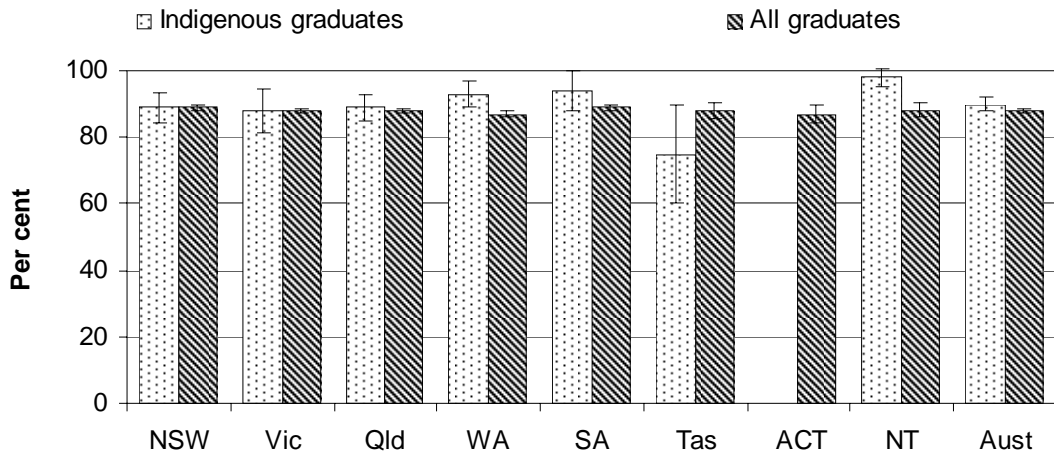
Source: NCVET AVETMISS collection (unpublished); table 4A.65.

Indigenous students' satisfaction with VET

The indicator 'Indigenous students' satisfaction with VET' reports on the proportion of Indigenous students who indicated they were satisfied with the quality of their completed VET course.

Nationally, 90 per cent of Indigenous students surveyed in 2005 indicated that they were satisfied with the quality of their completed course, compared with 88 per cent for all students (figure 4.39).

Figure 4.39 Proportion of TAFE graduates who were satisfied with the quality of their completed course, by Indigenous status, 2005^{a, b, c, d}



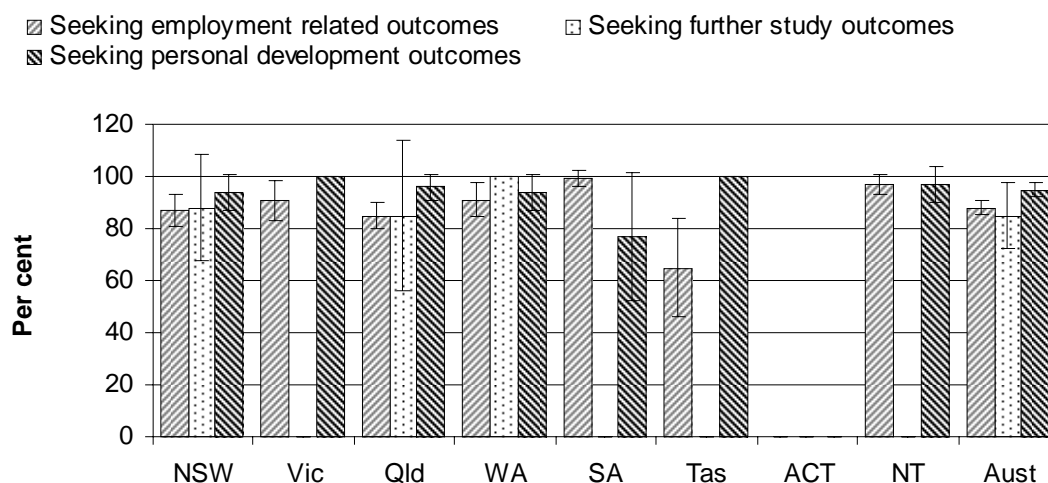
^a Satisfaction with overall quality of training was rated as satisfied or very satisfied on a 5 point scale. ^b Indigenous data for the ACT are not published due to 5 or less responses. ^c The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate. ^d The estimates for VET outcomes have large confidence intervals for some jurisdictions and are considered too unreliable for general use.

Source: NCVET Student Outcomes Survey (unpublished); tables 4A.43 and 4A.66.

Of those Indigenous students who completed courses in 2005, the proportion of those who indicated that they were satisfied with their courses was:

- 88 per cent of those seeking employment related outcomes
- 85 per cent of those seeking further study outcomes
- 95 per cent of those seeking personal development (figure 4.40).

Figure 4.40 Proportion of Indigenous TAFE graduates who were satisfied with the quality of their course, by purpose of study, 2005^{a, b, c, d}



^a Satisfaction with overall quality of training was rated as satisfied or very satisfied on a 5 point scale. ^b The seeking further study outcomes data for Tasmania was nil or rounded to zero. Data for Victoria, SA, the ACT and the NT are not published due to 5 or less responses. ^c The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate. ^d The estimates for VET outcomes for Indigenous students have large confidence intervals for some jurisdictions and are considered too unreliable for general use.

Source: NCVET Student Outcomes Survey (unpublished); table 4A.66.

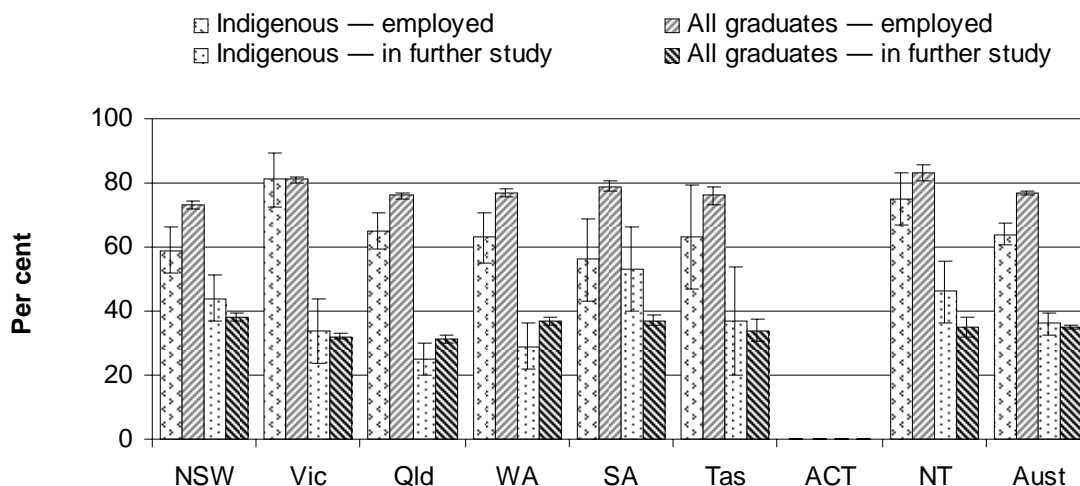
Further information on Indigenous students' views of their VET courses is available in the 2006 Report (SCRGSP (2006), box 4.18, p.4.59) and in the latest NCVET publication, *Indigenous Australians' training experiences 2004 – First findings* (NCVET 2005).

Indigenous students employment and further study outcomes

'Indigenous students' employment and further study outcomes' measures the proportion of Indigenous students who improved their employment circumstances or continued on to further study after completing training.

In 2005, 81 per cent of Indigenous students surveyed nationally indicated that they were employed and/or in further study after completing a course (table 4A.67). Of those graduates who were either employed and/or continued on to further study after completing a course, 64 per cent indicated that they were employed (compared with 77 per cent of all students) and 36 per cent continued on to further study (compared with 35 per cent of all students) (figure 4.41).

Figure 4.41 Proportion of TAFE graduates who were in employment and/or continued on to further study after completing a course, by Indigenous status, 2005^{a, b, c, d}

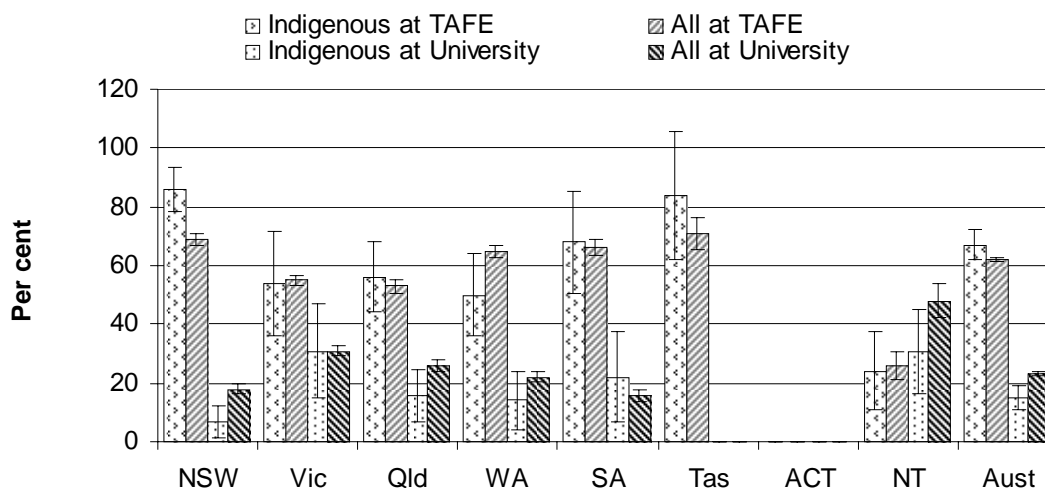


^a The findings on further study outcomes are not applicable to module completers. A module completer, by definition, is someone who has left the system. ^b Indigenous data for the ACT are not published due to 5 or less responses. ^c The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate. ^d The estimates for VET outcomes for Indigenous students have large confidence intervals for some jurisdictions and are considered too unreliable for general use.

Source: NCVET Student Outcomes Survey (unpublished); tables 4A.19 and 4A.67.

Of those Indigenous students who went on to further study, 67 per cent continued on to further study within the TAFE system (compared with 62 per cent for all students) and 15 per cent went to university (compared with 23 per cent for all students) (figure 4.42).

Figure 4.42 **Indigenous TAFE graduates who continued on to further study after completing a course, by type of institution, 2005^{a, b, c, d, e}**



^a The findings on further study outcomes are not applicable to module completers. A module completer, by definition, is someone who has left the system. ^b The Indigenous at University data for Tasmania and the ACT was nil or rounded to zero. The Indigenous at TAFE data for the ACT are not published due to 5 or less responses. ^c TAFE includes TAFE institutes and TAFE divisions of universities. ^d The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate. ^e The estimates for VET outcomes for Indigenous students have large confidence intervals for some jurisdictions and are considered too unreliable for general use.

Source: NCVET Student Outcomes Survey (unpublished); tables 4A.19 and 4A.67.

Employer outcomes

‘Employer awareness of VET’ is an outcome indicator of VET services (box 4.18).

Box 4.18 Employer awareness of VET

‘Employer awareness of VET’ is an outcome indicator of governments’ objective that employers and individuals will be at the centre of VET.

The indicator is defined as the proportion of Australian employers who in the last 12 months had or previously had or considered in the past:

- employees undertaking apprenticeships/traineeships
- provided nationally recognised training (other than apprenticeships/traineeships) for employees
- employing people with formal vocational qualification.

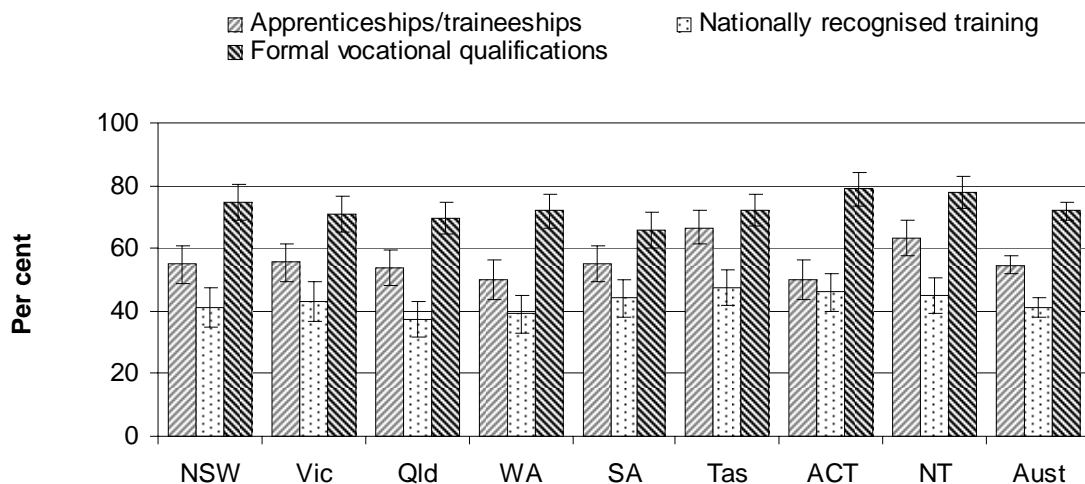
A high or increasing proportion of employers who have considered or used any of these options in the past is desirable, indicating greater employer awareness of VET.

Nationally, 55 per cent of employers had employees undertaking an apprenticeship or traineeship in the last 12 months, or had previously used or considered apprenticeships/traineeships in the past (figure 4.43). Of the employers who did not consider using apprenticeships/traineeships, the reasons were: ‘No Need/Unsuitable For/Not Relevant To This Organisation’ (77 per cent) and ‘Need Specific Skills For The Job’ (8 per cent) (NCVER unpublished).

Nationally, 41 per cent of employers provided nationally recognised training in the last 12 months or had previously used or considered nationally recognised training (figure 4.43). Of the employers who did not consider using nationally recognised training, the reasons were: ‘No Need/Unsuitable For/Not Relevant To This Organisation’ (73 per cent) and ‘Current Employees Adequately Trained’ (9 per cent) (NCVER unpublished).

Nationally, 72 per cent of employers employed people with a formal vocational qualification in the last 12 months, or previously had, or had considered in the past employing people with formal vocational qualifications (figure 4.43). Of the employers who did not consider using formal vocational qualifications, the reasons were: ‘No Need/Unsuitable For/Not Relevant To This Organisation’ (77 per cent) and ‘Need Specific Skills For The Job’ (11 per cent) (NCVER unpublished).

Figure 4.43 Proportion of employers who are aware of aspects of the VET system, 2005^{a, b, c, d}



^a Awareness of apprenticeships/traineeships means if had employees undertaking an apprenticeship or traineeship in the last 12 months or has previously used or considered apprenticeships/traineeships in the past. ^b Awareness of nationally recognised training means has provided nationally recognised training in the last 12 months or has previously used or considered nationally recognised training in the past. ^c Awareness of formal vocational qualifications means if employed people with a formal vocational qualification in the last 12 months, or if previously had or considered in the past employing people with formal vocational qualifications. ^d The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate.

Source: NCVER Survey of Employer Use and Views (unpublished); table 4A.68.

‘Employer engagement with VET’ is an outcome indicator of VET services (box 4.19).

Box 4.19 Employer engagement with VET

‘Employer engagement with VET’ is an outcome indicator of governments’ objective that employers and individuals will be at the centre of VET.

The indicator is defined as the proportion of Australian employers who in the last 12 months:

- had employees undertaking apprenticeships/traineeships
- arranged or provided nationally recognised training (other than apprenticeships/traineeships) for employees
- had employees with formal vocational qualification as a requirement of their job.

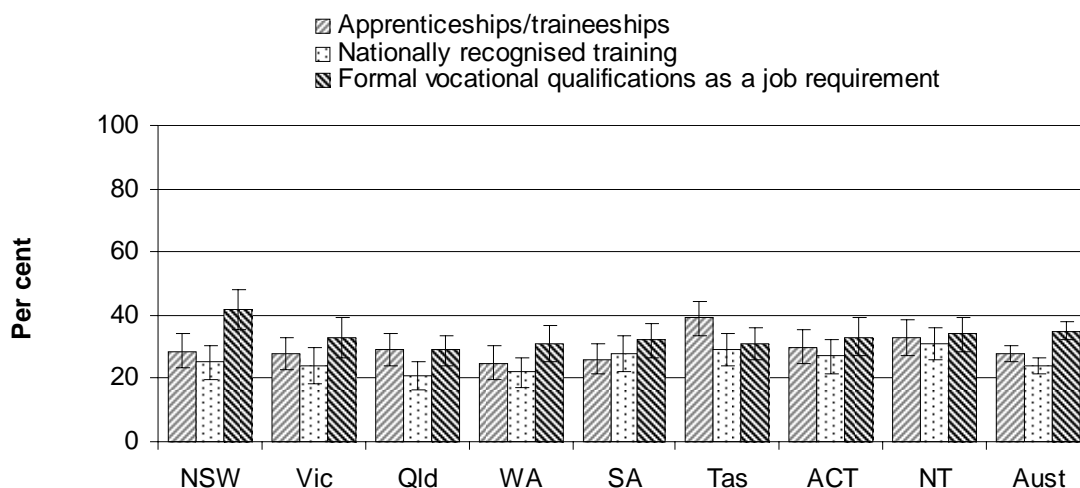
A high or increasing proportion of employers who had employees undertaking apprenticeships/traineeships, who arranged or provided nationally recognised training (other than apprenticeships/traineeships) for employees or who had employees with formal vocational qualification as a requirement of their job is desirable, indicating greater employer engagement with VET.

The percentage of employers engaged with apprenticeships or traineeships in the past 12 months was 28 per cent (figure 4.44). This varied by industry from 11 per cent in communication services to 77 per cent in electricity, gas and water supply (NCVER 2006a).

The percentage of employers engaged with nationally recognised training in the past 12 months was 24 per cent (figure 4.44). Engagement with nationally recognised training varies by industry from 12 per cent in wholesale trade to 54 per cent in government administration and defence (NCVER 2006a).

The percentage of employers engaged with employing people with a formal vocational qualification as a job requirement in the last 12 months was 35 per cent (figure 4.44). Employers that have vocational qualifications as a job requirement varies from 18 per cent in agriculture, forestry and fishing to 68 per cent in electricity, gas and water supply (NCVER 2006a).

Figure 4.44 **Proportion of employers who are engaged with aspects of the VET system, 2005** ^{a, b, c, d}



^a Engagement with apprenticeships/traineeships means had employees undertaking an apprenticeship or traineeship in the last 12 months. ^b Engagement with nationally recognised training means arranged or provided nationally recognised training to employees over the past 12 months. ^c Engagement with formal vocational qualifications means had employees in the last 12 months with a formal vocational qualification that was a requirement of their job. ^d The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate.

Source: NCVET Survey of Employer Use and Views (unpublished); table 4A.69.

‘Employer satisfaction with VET’ is an outcome indicator of VET services (box 4.20).

Box 4.20 **Employer satisfaction with VET**

‘Employer satisfaction with VET’ is an outcome indicator of governments’ objective that industry will have a highly skilled workforce to support strong performance in the global economy.

The indicator is defined as the proportion of Australian employers who are satisfied with VET in meeting the skill needs of their workforce.

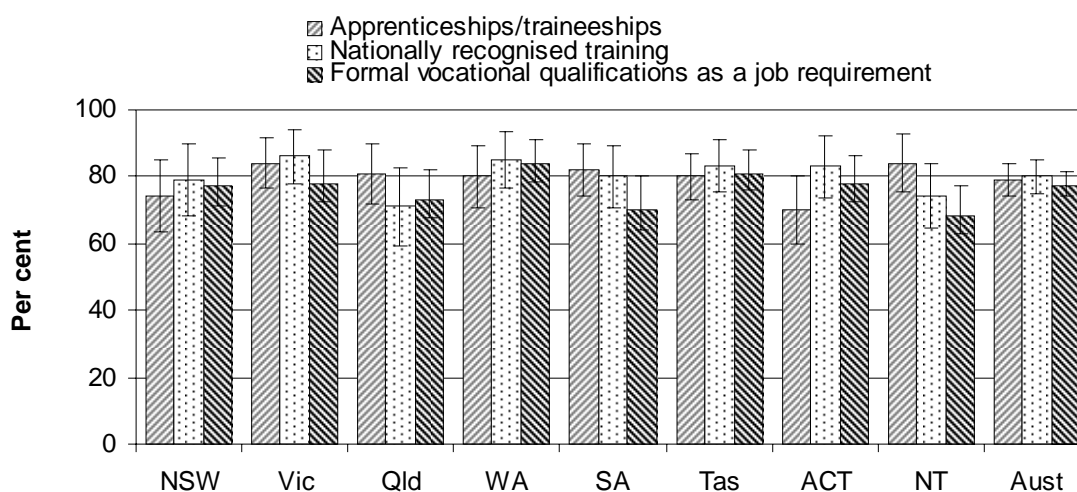
A high or increasing proportion of employers who are satisfied with VET in meeting the skill needs of their workforce is desirable.

Nationally, 79 per cent of employers were satisfied with apprenticeships or traineeships as a way of providing employees with skills required for the job (figure 4.45). Employer satisfaction with using apprenticeships or traineeships as a way of meeting skill needs varies across industry with the lowest satisfaction levels in retail trade and transport and storage (both 69 per cent) (NCVER 2006a).

Nationally, 80 per cent of employers who arranged or provided nationally recognised training to employees over the past 12 months were satisfied with nationally recognised training as a way of providing employees with skills required for the job (figure 4.45). Employer satisfaction with using nationally recognised training as a way of providing employees with skills required for the job is lowest in mining (51 per cent) and construction (69 per cent) industries (NCVER 2006a).

Nationally, 77 per cent of employers who had employees in the last 12 months with a formal vocational qualification that was a requirement of their job were satisfied with formal vocational requirements as a way of meeting skills (figure 4.45). Employer satisfaction with using vocational qualifications as a job requirement as a way of meeting skills needs is lowest in communication services (46 per cent), construction (65 per cent) and cultural and recreational services (65 per cent) (NCVER 2006a).

Figure 4.45 **Proportion of employers who engaged with an aspect of the VET system and are satisfied with VET as a way of meeting their skill needs, 2005^{a, b, c, d, e}**



^a Satisfaction is measured on a 5 point scale, 'satisfied' includes employers who were satisfied or very satisfied and 'dissatisfied' includes employers who were dissatisfied or very dissatisfied. ^b Satisfaction with apprenticeships/traineeships: had employees undertaking an apprenticeship or traineeship in the last 12 months and were satisfied with apprenticeships/traineeships as a way of providing employees with skills required for the job. ^c Satisfaction with nationally recognised training: arranged or provided nationally recognised training to employees over the past 12 months and were satisfied with nationally recognised training as a way of providing employees with skills required for the job. ^d Satisfaction with formal vocational qualifications: had employees in the last 12 months with a formal vocational qualification that was a requirement of their job and were satisfied with formal vocational qualifications as a way of meeting skills. ^e The error bars in the figure represent the 95 per cent confidence interval associated with each point estimate.

Source: NCVER Survey of Employer Use and Views (unpublished); table 4A.70.

4.4 Future directions in performance reporting

In November 2003, Australian, State and Territory ministers responsible for VET agreed to a new national VET strategy for 2004–10 (box 4.2). The performance indicator framework in this chapter was revised to reflect the new strategy in the 2006 Report and other indicator improvements were introduced in the 2007 Report. This process identified the need for further work on the skill profile indicators to enable related data to be included in future Reports.

4.5 Jurisdictions' comments

This section provides comments from each jurisdiction on the services covered in this chapter. Appendix A contains data that may assist in interpreting the performance indicators presented in this chapter. These data cover a range of demographic and geographic characteristics, including age profile, geographic distribution of the population, income levels, education levels, tenure of dwellings and cultural heritage (such as Indigenous and ethnic status).

Australian Government comments

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2005 was a year of significant achievements in vocational and technical education for the Australian Government, with sound progress made in its aims for an industry led, high quality and responsive national system. The Australian Government's offer for a new national agreement of cooperation was signed by all states and territories by October 2005; a new framework of governance is in place that more squarely locates industry at its centre; and a major programme of initiatives that enhance the operation of the national system was substantially implemented. This includes foundation work on Australian Technical Colleges, which will provide high quality technical education for young Australians and promote pride and excellence in the acquisition of trade skills.

The challenge for Australia is to further strengthen and improve the national training system so that it delivers what Australian businesses, communities and individuals need to build their own personal, and our collective, economic and social prosperity.

New legislation, the *Skilling Australia's Workforce Act 2005*, frames the Australian Government's aims and contribution to the national vocational and technical education system and was passed by the Parliament of Australia in August 2005.

Underpinned by the new legislation, a new agreement of cooperation was signed between the Australian Government and all State and Territory Governments during the second half of 2005. Through the *2005-08 Commonwealth-State Agreement for Skilling Australia's Workforce* the Australian, State and Territory Governments commit to working in partnership to maintain an effective national training system that delivers high quality, nationally consistent training outcomes for industry, communities and individuals. The Australian Government provided Agreement funding of \$1.183 billion in 2005.

DEST worked closely with the Department of Prime Minister and Cabinet on the Council of Australian Governments (COAG) Skills Working Group in 2005 in developing a package of measures designed to underpin a genuinely national approach to apprenticeships and skills recognition to address skill needs. The five key areas of focus, developed in consultation with industry, were: the commitment to quality training through a stronger focus on skills outcomes; a more mobile workforce to help meet skill needs; a more flexible and responsive training system; targeted responses to skill needs in regions; and next stages of vocational and technical education reform.

Apprenticeships are a key element of the Australian Government's approach to maintaining a skilled, flexible and internationally competitive workforce. The Australian government provided \$681.7 million in 2005 for Apprenticeship Centres and employer incentive programmes.

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New South Wales Government comments

“ NSW continues to be the largest provider of VET with 37.9 per cent of all Australian VET qualifications being completed by NSW students in 2004. In 2005, NSW delivered 122.5 million hours of VET, an increase of 9.7 per cent compared with 2004 and twice the national growth rate of 3.9 per cent.

NSW places a high priority on addressing skills shortages. At a time of significant technological change and skilled labour shortages, NSW is ensuring that it remains responsive to industry and community needs.

In 2005, there were 885 apprenticeship and traineeship pathways available in NSW. Enrolments increased in skills shortage areas and 38 700 apprentices and trainees completed their training in 2005, a 66.8 per cent increase compared with 2001. In addition, 11 per cent of trade apprentices completed their term of training early, allowing them to fast track into employment. NSW also emphasises RPL, with 36 per cent of students reporting having received some recognition compared with 31 per cent nationally.

NSW has introduced a number of initiatives to address workforce skill needs:

- the Securing Our Workforce plan, introduced in 2005, includes more than \$7 million in extra funds for apprenticeship training and incentive programs
- an allocation of \$18 million towards 10 new dedicated trade schools that allow students to complete part of a trade course while studying for the Higher School Certificate
- the provision of \$4.2 million towards pre-apprenticeship and pre-traineeship training courses for 3000 participants across NSW to enable them to be better prepared to undertake apprenticeships and traineeships in the future
- establishing the NSW Skills Council to improve capacity to identify areas of skills needs and develop strategies for action across government.

TAFE NSW, the largest provider of VET in the southern hemisphere, continued to deliver high quality learning and support services in 2005 to meet the needs and expectations of industry and community. The high regard in which TAFE NSW is held was reaffirmed in the results of the 2005 TAFE NSW Student Satisfaction Survey, where almost 93 per cent of students indicated good, high or very high levels of satisfaction.

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Victorian Government comments

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In 2005 Victorian RTOs provided approximately 484 000 students with over 111 million student contact hours of VET, an increase of 0.1 per cent on 2004 delivery.

Of this total delivery, government-funded delivery accounted for over 79.9 million student contact hours. TAFE institutions delivered nearly 62.8 million government funded hours, with the remaining 17.1 million hours delivered by ACE and private RTOs.

The number of government-funded apprentices in training increased by 6.1 per cent over the year to 43 300 at 31 December 2005.

In its 2005-06 Budget, the Victorian Government provided an additional \$43.3 million to VET. This comprised:

- \$12.5 million over four years for 1600 new pre-apprenticeship places
- \$12 million for TAFE teaching equipment
- \$15.8 million for upgrade of TAFE facilities
- \$3 million over two years for the *lab.3000* digital design centre.

In July 2005 the Government announced that a panel of industry and education experts would lead an Inquiry into Vocational Education and Training, chaired by Mr Peter Thomas AO, Chair of the Victorian Learning and Employment Skills Commission.

The Inquiry terms of reference covered apprenticeships and traineeships, VET in schools, training models for all VET students, future resourcing requirements, the role of VET in overcoming skill shortages and increasing workforce participation and industry productivity, and information provision to VET clients.

Over 50 metropolitan and regional consultations were conducted and 84 submissions were received. The five key themes addressed by the panel were:

- the need for an increase in the skills profile of the state with a greater focus on diploma (associate professional and technician) qualifications
- improved quality arrangements to drive greater provider flexibility and responsiveness
- future resourcing of VET
- reform to enhance pathways from training to work
- improved information to system clients.

The Inquiry report was released on 13 February 2006 and included 63 recommendations to Government.

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Queensland Government comments



A total of 194 300 persons accessed government-funded training in Queensland during 2005, up by more than 10 000 compared to a year earlier.

This increase is focussed on employed students and follows a brief period of decline caused by buoyant labour market conditions where strong jobs growth attracted some potential students into earning rather than learning.

While acknowledging the benefits of increased employment opportunities, sustained strong jobs growth creates its own problem in the form of skill shortages. Combining with the pressure of skill shortages is a growing demand for our workforce to become more highly skilled. Qualifications often determine an individual's chances of obtaining a job and their earning potential.

These trends and others, including the pressures associated with an aging workforce, cause obvious and significant challenges for VET systems.

The Queensland Government has been proactive in responding to these challenges. After extensive research the Government released for consultation its discussion paper outlining the way ahead for the VET system. This process of research and stakeholder consultation culminated in the release in early 2006 of the official policy platform for the training system: the *Queensland Skills Plan*.

The *Skills Plan* aims to capitalise on the successes and innovative initiatives of the Queensland VET system. It contains 24 separate actions designed to build the capacity and responsiveness of the system and expedite the skill acquisition process. These actions include:

- building new infrastructure including specialist trade and technician centres of excellence to train people in areas of skill shortage and labour market demand
- developing a range of industry engagement models to enhance skills and training leadership in key industries
- strengthening TAFE through infrastructure development, staff training and restructuring the organisation on a number of platforms
- improving the quality and relevance of trade training and introducing a range of higher-level trade qualifications
- implementing the Experience Pays Awareness Strategy aimed at assisting the recruitment and retention of older Queenslanders.

These and many more actions are already being implemented (infrastructure is being built, strategies are in place etc.) to provide Queensland with a world class training system.



Western Australian Government comments

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The State's ongoing economic expansion continues to be constrained by shortages in skilled labour across many occupational groups, particularly in the construction, metals and electrical and electronics trades areas. Western Australia is responding to the skills demands of its vibrant economy through initiatives to reform the apprenticeship and traineeship system and increase the appeal of apprenticeships to young people.

The Skills Formation Taskforce was established in 2005 to develop greater flexibility and responsiveness in apprenticeship and traineeship arrangements. Some of the biggest changes in almost a century are taking place, including the introduction of six new two-year apprenticeships in the residential housing industry. In almost thirty trades, the nominal duration of apprenticeships has been reduced from four years to three and a half or three years. Further changes will take place during 2006-07 and beyond to improve the system and meet emerging challenges.

A program was introduced to broker training services to small- to medium-sized enterprises (SMEs) in industries critical to the economy, including building and construction, automotive, metals and hospitality. The Industry Training Brokerage Team will also provide feedback and advice on the short and long term training needs of SMEs to ensure a strategic and coordinated training system response is developed to respond to the State's skill requirements.

The School Apprenticeship Link addresses skill shortages in the trades by offering direct pathways from school into apprenticeships. In 2005, more than 350 students commenced the pilot program.

The target of 30 000 apprentices and trainees in training by 2009 was met in July 2005.

There were nearly 1000 school-based traineeship commencements in public schools with more than half of these taken up by Aboriginal students.

The number of publicly-funded VET clients aged 15–64 years increased to 109 932 with average of 268 student contact hours. The module load completion rate increased slightly to 74.7 per cent.

In WA, 84 per cent of employers with jobs requiring vocational qualifications were satisfied with the VET system, compared with the national average of 77 per cent.

The 2005 national Student Outcomes Survey showed that 85 per cent of TAFEWA graduates achieved their main reason for study compared with 77 per cent in 2001.

Some 86 per cent of TAFEWA graduates were satisfied with their training, up from 76 per cent in 2001.

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South Australian Government comments

“ South Australia is currently experiencing high demand for skilled workers with strong economic growth and historically low unemployment levels. Aside from these buoyant times there are underlying issues that may put pressure on the State’s economic prosperity if not properly addressed such as the ageing workforce.

The South Australian Government is meeting this challenge by focusing its efforts towards priority areas that will boost training places in skills shortage areas, address attraction and retention of older or experienced workers by employers, encouraging and supporting more people into the workforce and attracting workers from overseas and interstate.

The South Australian Government recently announced a skills package ‘Skills for South Australia. Building on strong foundations’ that will be implemented over 4 years at a cost of \$98 million. The skills package includes 24 initiatives that focus on seven priority areas of:

- skill needs of major projects
- customised training including TAFE rapid response
- development of state-wide industry workforce action plans
- boost workforce participation
- increase science and mathematics in schools
- increase skilled migration
- foster career development.

The skills package will build on South Australia’s good performance in delivering VET. In 2005, investment in VET in South Australia was high with a 4.5 per cent increase in the number of government funded students on 2004. A survey of VET students found that they had good employment outcomes and satisfaction levels with 91 per cent employed or in further study and 87 per cent were satisfied with the quality of their training. Employers also indicated a high level of satisfaction with the VET system in terms of apprenticeships and traineeships (82 per cent satisfied), nationally recognised training (80 per cent) and formal qualifications as a job requirement (70 per cent).

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Tasmanian Government comments



This report supports Tasmania's priorities for the VET system to meet industry, community and individual need for skills development. The priorities are:

- improved opportunities and outcomes for young people (15–24) as they move from compulsory education to post-compulsory education, training and work
- improved opportunities for mature-age workers
- increased proportion of the working age population with skills that are relevant to, and will support State economic and industry development
- improved access to VET and improved outcomes for people who experience barriers to training and employment due to their particular needs
- established links with other State, local and Australian government agencies and regional and industry bodies to ensure education and training solutions are part of coordinated whole-of-government, community and industry strategies
- respond to current and emerging skill needs of industry and build on the COAG national approach to skills development.

Skill shortages continue to be a major focus and the demand from industry for skills is at the forefront of current initiatives. The Tasmanian Government's Skills for Growth budget initiative is investing \$12.6 million over four years to directly tackle skill shortages and build workforce capacity in the trades and in growth industries, and the competitive tendering program has been improved and expanded.

Young people are being supported in their transition from compulsory education to further education, training and work through pathway planning and transition support in secondary schools.

The report highlights what is being achieved. It shows increasing expenditure, high participation rates, very strong employer awareness of, and engagement with the apprentice and trainees system and strong employer satisfaction with VET.

The Tasmania training system has entered a period of change; it has increased the focus on industry partnerships and working closely with employers and is responding to the need to increase labour force participation. As foreshadowed in earlier reports these changes together with the broad and dispersed industry base in Tasmania mean the scope for reducing costs has diminished and the reported unit costs reflect this position.



Australian Capital Territory Government comments

“ The ACT has a strong commitment to VET as a means of providing appropriate skills and qualifications for citizens to contribute to the economic, social and cultural well being of the ACT. The ACT population has the highest level of full time participation in education, training or work, at 74 per cent, well above the national average of 64.4 per cent.

The ACT continues to maintain high levels of activity in apprenticeships/traineeships. NCVET data for apprenticeships/traineeships in the ACT shows that over the 12 months to 31 December 2005, commencements fell slightly from the record peak in 2004, whilst completions and the number of apprentices in training continued at previous levels.

The ACT is consistently well above the national average in delivering higher-level VET qualifications at Certificate IV and above. As of 31 December 2005, 22 per cent of those in-training were studying at Certificate IV or above, where the national average is 11 per cent.

The ACT is addressing skills shortages through refocusing funding and programs to concentrate on skills shortage priorities. This includes a focus on increasing participation in Australian School Based Apprenticeships (ASBAs) or trade related courses that respond to skill shortages; there were over 120 ASBAs in the local building and construction industry in 2005.

The *ACT Vocational Education and Training Strategic Plan 2005–09* was launched in February 2005, and is the product of considerable research and consultation across the ACT VET sector. The Plan has been designed to meet the objectives of the *National Strategy for Vocational Education and Training 2004–2010*, the *Canberra Plan*, Commonwealth and ACT legislation.

Annual action plans developed in consultation with stakeholders will ensure that the VET sector remains flexible and responsive to its environment. The 2005 action plans emphasise the commitment to women, people with a disability, Indigenous and adult and community education communities to increase the participation of people in VET in the ACT.

In the ACT, 8.3 per cent of the working age population are in government funded VET in 2005, up from 8.1 per cent in 2004 and above the national average of 8.1 per cent. The improvement was in the participation rate of women, with a rise of around 300 students.

The participation rate of Indigenous people is 12.2 per cent within the ACT. The load pass rate of ACT Indigenous people rose from 67.8 per cent in 2004 to 73.5 per cent in 2005, above the national average of 66 per cent.

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Northern Territory Government comments

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The 2005 *Workforce NT* publication reports strong economic growth in the NT resulting in a tight labour market and continuing skills shortages across a range of industries, notably in the trades sectors.

VET is one of the most critical pathways to achieving the NT's fundamental and abiding commitment to improving economic and social outcomes for all Territorians, particularly Indigenous Territorians.

NT has the highest proportion of Indigenous people with 30 per cent of the NT population having an Indigenous background, and this is expected to grow 1.4–1.6 per cent over the next five years. Over 37 per cent of the Territory's Indigenous population lives outside the urbanised region of Darwin.

In 2005, 17 678 people participated in VET programs in the NT. An increase of 0.76 per cent on 2004, based on changes to the national reporting requirements.

During 2005, 2426 Territorians commenced an apprenticeship or traineeship, an increase of 4 per cent over 2004. Of the 2426 commencements in 2005, 590 (24.3 per cent) were Indigenous Territorians.

In 2005, the Flexible Response and Community Response programs continued to fund targeted training to Indigenous Territorians. These programs provide responsive, ongoing skills training that contribute to the economic development of communities and regions in the NT.

The NT is continuing to ensure VET is targeted to meet the needs of its growing economy and leads to jobs for Territorians.

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4.6 Definitions of key terms and indicators

Adjusted annual curriculum hours	Annual curriculum hours that are adjusted to account for (1) module enrolments reported with an outcome of RPL and (2) invalid module enrolments.
Annual curriculum hours	The anticipated hours of supervised learning or training deemed necessary to adequately present the education material. These hours are generally specified in the curriculum documentation and exclude hours associated with field work or work experience. Indicator changed in 1999 to nominal hours — supervised.
AVETMISS	Australian Vocational Education and Training Management Information Statistical Standard. This is a specification of information standards for recording and reporting VET inputs (resource module) and activity and outputs (business module). This standard was observed in the collection and preparation of data for this Report.
Community education providers	Community education training organisations (including ACE providers) that provide information to the AVETMISS data collection.
Completions	Fulfilment of all of the requirements of a course enrolment or module enrolment.
Cost of capital per adjusted annual curriculum hour	Cost to the government of using capital (physical noncurrent assets) to deliver VET services divided by the adjusted annual curriculum hours and course mix weight.
Cost of capital per load pass	Total government recurrent expenditure divided by successfully completed VET modules or unit of competency.
Course	A structured sequence of VET that leads to the acquisition of identified competencies and includes assessment leading to a qualification or statement of attainment.
Course mix weight	Expenditure is weighted to recognise the different proportions of relatively more expensive and less expensive training programs that occur in jurisdictions. The course mix weightings used to adjust hours of activity are based on revised planned activity hours, as reported in state/territory annual vocational and technical education plans for 2000–2004. Actual audited activity hours data is used in the course mix weight calculations for 2005 activity. The reference value is 1.00 for Australia and a weighting greater than 1.00 indicates that the state or territory is offering relatively more expensive programs compared to the national profile. The national cost relativities used to determine the course mix weightings for each state and territory were established by the Unit Cost Working Party in 1995.
Employer awareness of VET	The proportion of Australian employers who in the last 12 months had or previously had or considered in the past, employees undertaking apprenticeships/traineeships, arranged or provided nationally recognised training (other than apprenticeships/traineeships) for employees or if had employees with formal vocational qualification.

Employer engagement with VET	The proportion of Australian employers who in the last 12 months had employees undertaking apprenticeships/traineeships, arranged or provided nationally recognised training (other than apprenticeships/traineeships) for employees, or if had employees with formal vocational qualification as a requirement of their job.
Employer satisfaction with VET	The proportion of Australian employers who are satisfied with VET in meeting the skill needs of their workforce. The components of satisfaction with the VET system are satisfaction with apprentices/trainees, nationally recognised training and formal vocational qualifications as a job requirement. Satisfaction is measured on a 5 point scale, 'satisfied' includes employers who were satisfied or very satisfied and 'dissatisfied' includes employers who were dissatisfied or very dissatisfied.
Enrolment	The registration of a student with a training provider for the purpose of doing a course or module. The enrolment is considered valid only if all fee obligations have been met and the student has attended at least one lesson or submitted at least one piece of work.
Fee-for-service activity	Activity that is funded by fees received from individuals and organisations (other than regulatory student fees), including specifically funded Australian and State government programs (such as labour market programs and Adult Migrant English Services).
Government funded VET students	Government recurrent funded students (which relates directly to training activity funded under the Commonwealth–State Training Funding Agreement) unless otherwise specified and excludes students participating in VET programs in schools or who undertook 'recreation, leisure or personal enrichment' education programs.
Government funding to private and adult and community education providers	Government recurrent expenditure to private and ACE providers for the delivery of VET services. Expenditure includes payments to secondary schools, other government providers, enterprises, private RTOS, ACE providers, industry and local government providers.
Government recurrent expenditure per adjusted annual curriculum hour	Government recurrent expenditure per adjusted government funded annual curriculum hours. Expenditure is adjusted for course mix weight.
Government recurrent expenditure per load pass	The total government recurrent expenditure divided by the number of hours successfully completed from assessable enrolments of modules and units of competency achieved/passed and RPL.
Graduate	A person who has completed a vocational program.
Graduates' main reason for undertaking a VET course	Either seeking an employment–related outcome (to get a job, to try for a different career, to meet job requirements, to get extra job skills), seeking a further study outcome (to get into another course) or seeking a personal development outcome (for personal interest, for other reasons).
Language spoken at home	People speaking a language other than English at home are those who self-identify on their enrolment form that they speak a language other than English at home.

Load pass rate	The ratio of hours attributed to students who gained competencies/passed assessment in an assessable module or unit of competency to all students who were assessed and either passed, failed or withdrew. Load pass rate is calculated as the total competency achieved/passed and RPL divided by the total competency achieved/passed, RPL, competency not achieved/failed and withdrawn.
Module	A unit of training in which a student can enrol and be assessed.
Nominal hours — supervised	The anticipated hours of learning or training deemed necessary to adequately present the educational material associated with the delivery of a training program in standard classroom delivery mode. These hours are generally specified in the curriculum documentation and exclude hours associated with work experience, industry placement or field placement. See ' <i>annual curriculum hours</i> '.
Non-response rate	Proportion of VET students who did not respond to the relevant question.
Non-vocational program of study	Recreation, leisure and personal enrichment courses directed towards the encouragement and development of creative, social and personal pursuits and skills that enable people to make more effective use of leisure time.
Private provider	A commercial organisation that provides training to individuals and industry.
Real expenditure	Actual expenditure adjusted for changes in prices. Adjustments are made using the GDP chain price deflator and expressed in terms of final year prices.
Recurrent funding	Funding provided by the Australian, State and Territory governments to cover operating costs, salaries and rent.
TAFE	Technical and further education colleges and institutes, which are the primary providers of government funded VET.
Training packages	The basic building blocks for VET programs under the National Training Framework. They are developed by industry and create national standards, programs, qualifications and learning resources.
VET cost per adjusted annual curriculum hour	Government recurrent expenditure per adjusted government funded annual curriculum hours.
VET participation by Indigenous people	The proportion of VET students of all ages reported as Indigenous compared to the proportion of Indigenous people aged 15–64 in the Australian population.
VET participation by students speaking a language other than English	The proportion of VET students of all ages speaking a language other than English at home compared with the proportion of all people in the Australian population speaking a language other than English at home.
VET participation rate for people aged 15–64 years	The ratio of the number of people who undertake a VET program or module to the number of people in Australia (or each jurisdiction) aged 15–64 years.
VET participation rate for people of all ages by region	The ratio of the number of people of all ages who undertake VET programs or modules in specified geographic areas (that is, major cities, inner regional areas, outer regional areas, remote and very remote areas) to the total population of people in those

VET program	geographic areas. A course or module offered by a training organisation in which clients may enrol.
Vocational program of study	A program of study that is intended to develop competency in skills relevant to the workplace or entry to further education. Includes initial vocational courses and courses subsequent to initial vocational courses. These courses are typically associated with preparatory, operative, trades/skilled and para-professional education and training.
Whether the VET course helped graduates achieve their main reason for doing the course	Whether 'the course helped', 'the course partly helped', 'the course did not help' or the graduates 'cannot say'.

4.7 Supporting tables

The files containing the supporting tables can be found on the Review web page (www.pc.gov.au/gsp). Users without access to the CD-ROM or Internet can contact the Secretariat to obtain the supporting tables (see contact details on the inside front cover of the Report).

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Table 4A.69	Employer engagement with VET, 2005 (per cent)
Table 4A.70	Employer satisfaction with VET, 2005 (per cent)

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